

- 1.0.0 10:30 - STANDARD BUSINESS
Led by Prof Donna Mead (Chair)
- 1.1.0 APOLOGIES
Led by Prof Donna Mead (Chair)
- Received from:*
- * Mr David Cogan - Barbara Burbidge attending from the Patient Liaison Group*
** Katrina Febry, Audit Wales*
- 1.2.0 IN ATTENDANCE
Led by Prof Donna Mead (Chair)
- 1. & Stephen Allen, Cardiff Community Health Council*
2. & Brenda Chamberlain, Cardiff Community Health Council
3. & Barbara Burbidge, Patient Liaison Representative who is attending in place of David Cogan
- And*
4. & Mr Steve Wyndham, Audit Wales – Agenda Item 5.1.2
5. & Mr James Quance, Head of Internal Audit – Agenda item 5.1.3
- 1.3.0 DECLARATIONS OF INTEREST
Led by Prof Donna Mead (Chair)
- 2.0.0 10:35 - CONSENT ITEMS
Led by Prof Donna Mead (Chair)
- 2.1.0 FOR APPROVAL
- 2.1.1 Minutes from the Public Trust Board meeting held on the 25th March 2021 ^ To Follow
Led by Prof Donna Mead (Chair)
- 2.1.2 Chair's Urgent Actions Report
Led by Prof. Donna Mead (Chair)
- 2.1.2 Chairs Urgent Action Report May 2021.docx
- 2.1.3 Commitment of Expenditure Exceeding Chief Executive's Limit
Led by Mr Mark Osland, Executive Director of Finance
- 2.1.3 Commitment of Expenditure May 2021.docx
- 2.1.3.a Appendix 1.docx
- 2.1.4 Policies for Approval Report
Led by Mrs Lauren Fear, Director of Corporate Governance & Chief of Staff
- 2.1.4 Approved Policies Update - June 2021.docx
- 2.1.4a Respect and Resolution Final 31 Mar 2021.pdf 2.1.4b
Respect and Resolution Policy FAQs FINAL V1.0.pdf
- 2.1.5 Documents 'Sealed' Report
Led by Mrs Lauren Fear, Director of Corporate Governance & Chief of Staff
- 2.1.5 Trust Seal Report Mar-Apr 2021.docx
- 2.1.6 NWSSP - Proposed Amendments to Financial Delegation
Led by Mr Mark Osland, Executive Director of Finance
- 2.1.6 Extension of COVID to SoD .docx
- 2.2.0 FOR NOTING
- 2.2.1 Memorandum of Understanding for Partnership Board with Cardiff & Vale UHB
Led by Mrs Lauren Fear, Director of Corporate Governance & Chief of Staff
- 2.2.1 MoU for CAV Partnership Board.docx
- 2.2.1a MoU VUNHST and CVUHB.docx
- 2.2.2 Welsh Health Specialist Services Committee Meeting - May 2021
Led by Mr Steve Ham, Chief Executive
- 2.2.2 2021.05.11 WHSSC JC Briefing v1.0.pdf

- 2.2.3 Quality & Safety Governance Arrangements for NWSSP Committee
Led by Mrs Lauren Fear, Director of Corporate Governance & Chief of Staff
2.2.3 NWSS Partnership Cte Governance Arr.docx
- 2.2.4 Financial Report Period 12
Led by Mr Mark Osland, Executive Director of Finance
2.2.4 Month 12 Finance Report Cover Paper.docx
2.2.4a M12 VELINDRE NHS TRUST FINANCIAL POSITION TO MARCH 2020- TRUST BOARD DRAFT.docx
- 3.0.0 10:40 - MATTERS ARISING
- 3.1.0 10:45 - Review of Action Log
3.1.0 Action Log.docx
- 4.0.0 KEY REPORTS
- 4.1.0 10:55 - Chairs Update
Led by Prof Donna Mead (Chair)
4.1 Chair Update Report June Board.docx
- 4.2.0 11:05 - CEO Update
Led by Mr Steve Ham, Chief Executive
4.2 CEO Update Report June Board.docx
- 5.0.0 QUALITY, SAFETY & PERFORMANCE
- 5.1.0 11:15 - Annual Report and Accounts 2020/21
Led by Mr Mark Osland, Executive Director of Finance and Mrs Lauren Fear, Director of Corporate Governance & Chief of Staff
- 5.1.1 Cover Paper for Accountability Report and Annual Accounts 2020/21
5.1.1. Cover Paper Accountability Report Annual Accounts Sign Off .docx
- 5.1.1a Accountability Report for 2020/21
Led by Mrs Lauren Fear, Director of Corporate Governance and Chief of Staff
Final Draft Accountability Report.docx
- 5.1.1b Velindre University NHS Trust Final Annual Accounts 2020/21
Led by Mr Mark Osland, Executive Director of Finance
5.1.1b Board 8 June 2021 - Annual Accounts Cover Paper.docx
5.1.1b Velindre UNHST 2020-21 Accounts DRAFT v2 04062021.pdf
- 5.1.1bi Appendix 1 –Letter of Representation 2020/21
Led by Mr Mark Osland, Executive Director of Finance
5.1.1b(i) Letter of representation June 2021.docx
- 5.1.1bii Appendix 2 –Trust Response to Audit Wales Regarding Trust Governance and Management Arrangements
Led by Mr Mark Osland, Executive Director of Finance
5.1.1.bii. Appendix 2.pdf
- 5.1.1bii Appendix 3 - NAO Fact Sheet on Governance Statements
Led by Mrs Lauren Fear, Director of Corporate Governance and Chief of Staff
5.1.1.biii Appendix 3 NAO Governance Statements Fact Sheet observations.pdf
- 5.1.2 Audit Wales –Audit of Financial Statements (ISA 260) 2020/21
Led by Mr Steve Wyndham, Audit Wales
5.1.2 Cover paper ISA 260 June 2021.docx
Final ISA260 report - Velindre NHS Trust - 2020-21.pdf
- 5.1.3 NWSSP Audit & Assurance Services –Head of Internal Audit Opinion and Annual Report 2020/21
Led by Mr James Quance, Head of Internal Audit
5.1.3 AA HIA Annual Report and Opinion 20-21 VUNHST_Final.pdf
- 5.2.0 11:45 - Quality Safety & Performance Committee Highlight Report
Led by Mrs Janet Pickles, Independent Member and Chair of the Quality Safety & Performance Committee
5.2 Public QSP Highlight Report.docx
- 5.3.0 11:55 - BREAK 11:55 - 12:05
- 5.4.0 12:05 - VUNHST Risk Register SBAR
Led by Mrs Lauren Fear, Director of Corporate Governance & Chief of Staff
5.4 Risk Register.docx

- 5.5.0 12:15 - Remuneration Committee Highlight Report
Led by Prof Donna Mead (Chair)
5.5 Remuneration Committee Highlight Report - 29.04.2021.docx
- 5.6.0 12:20 - Local Partnership Forum Highlight Report *Oral Update
Led by Ms Sarah Morley, Executive Director of Organisational Development & Workforce
- 5.7.0 12:30 - Delivering Excellence Performance Report
Led by Mrs Cath O'Brien, Interim Chief Operating Officer
5.7 March PMF Cover Paper FINAL Trust Board.docx
5.7a VCC Performance Report.pdf
5.7b WBS Performance Report.pdf
5.7c WOD Performance Report.pdf
- 5.8.0 12:50 - Progress Report on Quarter 3/4 Delivery Plan
Led by Mr Carl James, Director of Strategic Transformation, Planning & Digital and Mrs Cath O'Brien, Interim Chief Operating Officer
5.8 Trust Board Quarterly Actions 2020.21 Yearend Closedown Report version 007.docx
- 5.9.0 13:05 - Nurse Staffing Act
Led by Mrs Nicola Williams, Executive Director of Nursing, AHPs and Medical Scientists
5.9 Nurse Staffing Levels Wales 2021 .docx
5.9a Appendix 1 Velindre Annual Assurance Report on compliance on the Nurse Staffing Levels (Wales) Act.docx
5.9b Appendix 2 - 3 Yearly Reporting Velindre 2018-2021 NSA Wales Act.docx
- 5.10.0 13:10 - BREAK 13:10 - 13:40
- 6.0.0 STRATEGIC DEVELOPMENT
- 6.1.0 13:40 - Transforming Cancer Services Programme Scrutiny Sub-Committee Highlight Report
Led by Mr Stephen Harries, Independent Member and Chair of the TCS Programme Scrutiny Sub-Committee
6.1 PUBLIC TCS Programme Scrutiny Committee Highlight Report.docx
- 6.2.0 13:55 - Transforming Cancer Services Communication & Engagement Update ^ To Follow
Led by Mrs Lauren Fear, Director of Corporate Governance & Chief of Staff
- 7.0.0 INTEGRATED GOVERNANCE
- 7.1.0 14:10 - Audit Committee Highlight Report
Led by Mr Martin Veale, Independent Member and Chair of the Audit Committee
7.1.0 Audit Committee Highlight Report 22 March 2021 final.docx
7.1.0a Appendix to AC Highlight Report March 2021 DHCW-Handover Report April 2021.docx
- 7.2.0 14:25 - Charitable Funds Committee Highlight Report
Led by Mr Martin Veale, Independent Member and Chair of the Charitable Funds Committee
7.2 Charitable Funds Committee Highlight Report 06 05 2021.docx
7.2a Velindre Newsletter .pdf
- 8.0.0 14:35 - ANY OTHER BUSINESS
Prior Approval By the Chairman Required
- 9.0.0 14:45 - DATE AND TIME OF THE NEXT MEETING
29th July 2021 at 10am until 12 noon.
- 10.0.0 CLOSE
The Board is asked to adopt the following resolution:

That representatives of the press and other members of the public be excluded from the remainder of this meeting having regard to the confidential nature of the business to be transacted, publicity on which would be prejudicial to the public interest in accordance with Section 1(2) Public Bodies (Admission to Meetings) Act 1960 (c.67).



GIG
CYMRU
NHS
WALES

Ymddiriedolaeth GIG
Prifysgol Felindre
Velindre University
NHS Trust

TRUST BOARD

CHAIRS URGENT ACTION MATTER REPORT

DATE OF MEETING	08/06/2021
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PUBLIC OR PRIVATE REPORT	Public
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IF PRIVATE PLEASE INDICATE REASON	Not Applicable - Public Report
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PREPARED BY	Emma Stephens, Head of Corporate Governance
PRESENTED BY	Lauren Fear, Director of Corporate Governance and Chief of Staff
EXECUTIVE SPONSOR APPROVED	Lauren Fear, Director of Corporate Governance and Chief of Staff

REPORT PURPOSE	CONSIDER and ENDORSE
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COMMITTEE/GROUP WHO HAVE RECEIVED OR CONSIDERED THIS PAPER PRIOR TO THIS MEETING

COMMITTEE OR GROUP	DATE	OUTCOME
Trust Board Members – Via Email	14/04/2021	Approved
Trust Board Members – Via Email	20/04/2021	Approved
Trust Board Members – Via Email	20/05/2021	Approved

ACRONYMS

NWSSP	NHS Wales Shared Services Partnership
PPE	Personal Protective Equipment
TCAR	Temporary Construction Access Route

1. SITUATION/BACKGROUND

- 1.1 In accordance with Trust Standing Orders, there may occasionally, be circumstances where decisions, which would normally be made by the Board, need to be taken between scheduled meetings and it is not practicable to call a meeting of the Board. In these circumstances, the Chair and Chief Executive, supported by the Board Secretary, as appropriate, may deal with the matter on behalf of the Board – after first consulting with at least two other Independent Members. The Board Secretary must ensure that any such action is formally recorded, and reported to the next meeting of the Board for consideration and ratification. Where issues are included in the Schedule of 'Expected Urgent Decisions' and prior approval is sought from the Board, these issues will not be reported here.
- 1.2 Chair's action may not be taken where either the Chair or the Chief Executive has a personal or business interest in an urgent matter requiring decision. In this circumstance, the Vice-Chair or the Executive Director acting on behalf of the Chief Executive will take a decision on the urgent matter, as appropriate.
- 1.3 The Vice-Chair was invited and agreed to attend the NWSSP Financial Governance Group that has been established to oversee and scrutinise NWSSP procurement requests in response to COVID 19 PPE requirements. The Board has agreed that due to the role performed by the Vice-Chair on this group, the Vice-Chair will abstain from any approval requests sought via Chairs Urgent Action involving NWSSP procurement decisions.
- 1.4 This report details Chair's Urgent Action taken between the 1 April 2021 - 25 May 2021.

2. ASSESMENT / SUMMARY OF MATTERS FOR CONSIDERATION

2.1 Option Appraisal / Analysis:

The items outlined in Appendix 1 have been dealt with by Chairs Urgent Action.

3. IMPACT ASSESSMENT

QUALITY AND SAFETY IMPLICATIONS/IMPACT	Yes (Please see detail below)
	This action is by exception and with prior approval from the Chair. The provision to permit this urgent action is to allow for quick decisions to be made where it is not practicable to call a Board meeting and to avoid delays that could affect service delivery and quality.
RELATED HEALTHCARE STANDARD	Governance, Leadership and Accountability
	If more than one Healthcare Standard applies please list below:
EQUALITY IMPACT ASSESSMENT COMPLETED	Not required
LEGAL IMPLICATIONS / IMPACT	There are no specific legal implications related to the activity outlined in this report.
FINANCIAL IMPLICATIONS /	Yes (Include further detail below)

IMPACT	Financial impact was captured within the documentation considered by the Board.
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4. RECOMMENDATION

- 4.1 The Board is asked to **CONSIDER** and **ENDORSE** the Chairs urgent action taken between the 1 April 2021 to the 25 May 2021 as outlined in Appendix 1.

Appendix 1

The following items were dealt with by Chairs Urgent Action:

1. NWSSP - Purchase of COVID 19 Nitrile Gloves

The Trust Board were sent an email on the 14 April 2021, inviting the Board to **AUTHORISE** £4m of additional expenditure on a previously agreed contract in July 2020 for the Purchase of COVID 19 Nitrile Gloves.

Due to the urgency of this matter it could not wait until the 8 June 2021 Trust Board meeting.

Recommendation Approved:

- Donna Mead, Trust Chair
- Carl James, Acting CEO
- Gareth Jones, Independent Member
- Martin Veale, Independent Member

A number of clarifications were required and subsequently provided. No objections to approval were received.

2. Temporary Construction Access Route (TCAR) Licence

The Trust Board were sent an email on the 20 April 2021, inviting the Board to **AUTHORISE** the revised TCAR Licence for execution. Changes had been made to the Licence as a result of the revised planning application.

Due to the urgency of this matter, it could not wait until the 8 June 2021 Trust Board meeting.

Recommendation Approved:

- Mrs. Donna Mead, Chair
- Mr. Steve Ham, Chief Executive Officer
- Mr. Stephen Harries, Independent Member
- Mrs. Hilary Jones, Independent Member
- Mr. Gareth Jones, Independent Member
- Ms. Sarah Morley, Executive Director of OD & Workforce

No objections to approval were received.

3. Radiotherapy Satellite Centre Design Sign Off

The Trust Board were sent an email on the 20 May 2021, inviting the Board to **AUTHORISE** the proposed approach for the Stage 4 design for the Radiotherapy Satellite Centre.

As the work is scheduled to start in May in order to deliver the overall project timelines to meet patient demand, a decision could not wait until the next meeting of the Board on the 8 June 2021.

Recommendation Approved:

- Mrs. Donna Mead, Chair
- Mr. Steve Ham, Chief Executive Officer
- Mr. Stephen Harries, Independent Member
- Mrs. Hilary Jones, Independent Member
- Mr. Gareth Jones, Independent Member
- Mr. Martin Veale, Independent Member
- Ms. Sarah Morley, Executive Director of OD & Workforce

It was noted that at the next stage it would be useful to have confirmation of how the project meets the requirements of the Well-being and Future Generations Act. No objections to approval were received.

TRUST BOARD

BOARD DECISIONS REQUIRED FOR COMMITMENT OF EXPENDITURE EXCEEDING £100K FOR THE PERIOD 8 June 2021 to 29 July 2021

DATE OF MEETING	8 June 2021	
PUBLIC OR PRIVATE REPORT	Public	
IF PRIVATE PLEASE INDICATE REASON	Not Applicable - Public Report	
PREPARED BY	Emma Stephens, Head of Corporate Governance	
PRESENTED BY	Mark Osland, Executive Director of Finance	
EXECUTIVE SPONSOR APPROVED	Mark Osland, Executive Director of Finance	
REPORT PURPOSE	For APPROVAL	
COMMITTEE/GROUP WHO HAVE RECEIVED OR CONSIDERED THIS PAPER PRIOR TO THIS MEETING		
COMMITTEE OR GROUP	DATE	OUTCOME
Numerous in accordance with the governance requirements of the NWSSP	Various	Endorsed for submission to Trust Board
ACRONYMS		
NWSSP	NHS Wales Shared Services Partnership	

1. SITUATION/BACKGROUND

- 1.1 Velindre University NHS Trust (VUNHST) has a Scheme of Delegation, as set out in its Standing Orders, together with its Standing Financial Instructions (SFIs), which ensures that there are effective governance arrangements in place for the delegation of financial authority.
- 1.2 Financial limits apply to the commitment of expenditure. If expenditure is greater than an individual's financial limit, and is more than the limit delegated to the VUNHST Chief Executive, the planned expenditure will require VUNHST Board approval. For extensions of existing contracts in place, this only applies if the provision for extension was not included in the original approval granted by the Trust Board.
- 1.3 The decisions expected during the period 8 June 2021 to 29 July 2021 are highlighted in this report and are seeking approval for the Chief Executive to authorise approval outside of the Trust Board.

2. ASSESMENT / SUMMARY OF MATTERS FOR CONSIDERATION

- 2.1 Please refer to **Appendix 1** for the detailed appraisal undertaken of the expenditure proposal requiring Trust Board approval. The table below provides a summary of the decision being sought from the Trust Board.

Appendix No.	Division	Scheme / Contract Agreement Title	Period of Contract	Total Expected Maximum Value of Contract £ (ex VAT)
Appendix 1	NWSSP	All Wales e-Rota Monitoring Junior Doctors	Start: 01/08/2021 End: 31/07/2023 <i>Option 12 month extension</i>	£678,066

3. IMPACT ASSESSMENT

QUALITY AND SAFETY IMPLICATIONS/IMPACT	There are no specific quality and safety implications related to the activity outlined in this report.
	Due authority is being sought in advance of expenditure to ensure the compliant provision of goods/services to meet operational requirements.
RELATED HEALTHCARE STANDARD	Governance, Leadership and Accountability
	If more than one Healthcare Standard applies please list below:
EQUALITY IMPACT ASSESSMENT COMPLETED	No (Include further detail below)
	Undertaken on a case by case basis, as part of the procurement process.
LEGAL IMPLICATIONS / IMPACT	If applicable, as identified in each case as part of the service design/procurement process.
FINANCIAL IMPLICATIONS / IMPACT	Yes (Include further detail below)
	Further details are provided in Appendix 1 of this report.

4. RECOMMENDATION

- 4.1 The Board is requested to **AUTHROISE** the Chief Executive to APPROVE the award of contracts summarised within this paper and supporting appendix and **AUTHORISE** the Chief Executive to **APPROVE** requisitions for expenditure under the named agreement.

COMMITMENT OF EXPENDITURE EXCEEDING CHIEF EXECUTIVE'S LIMIT / BUSINESS JUSTIFICATION

SCHEME TITLE	ALL WALES E-ROTA MONITORING JUNIOR DOCTORS
DIVISION / HOST ORGANISATION	NWSSP
DATE PREPARED	10 th May 2021
PREPARED BY	HYWEL JONES
SCHEME SPONSOR	ANGELA JONES

All Divisional proposals must be consistent with the strategic and operational plans of Velindre University NHS Trust.

1. DESCRIPTION OF GOODS / SERVICES / WORKS

E-Rota Monitoring for Junior Doctors has been in place across Wales since 2009 with Allocate (then called Zicardian), awarded the contract by Welsh Government (WG). The contract has been held with and centrally funded by WG and is due to end on 31/7/2021. Helen Arthur wrote to Neil Frow in February 2020 with the remit that NWSSP take the contract from WG to manage moving forwards, ensuring the re-charge back to organisations.

E-Rota Monitoring for Junior Doctors is a cloud-based software solution to assist Health Boards / Trusts in NHS Wales to plan and monitor their junior doctors' rotas and rosters in line with EWTD and New Deal, supporting exception reporting and including the potential for a self-rostering programme.

The following are some essential characteristics of the software:

- The software can differentiate between types of roles and grant different administration capabilities accordingly (role based access)
- The solution must be cloud-based solution to deliver future-proof scalability, performance, data storage, reporting, interoperability and real-time, up-to-date functionality
- The solution must be device agnostic, enabling access to the same application(s) via any device, including: mobiles, tablets, PCs or MACs.

- The solution must be available 24/7, with minimal downtime for upgrades with 24/7 support infrastructure
- The solution must have an audit function and be able to record all user actions eg the logs must record the user ID, the date, the timestamp and a clear description of the action

The funding will 100% be transacted via NWSSP/Velindre ledger and recharged to HB's.

1.1 Nature of contract:

Please indicate with a (x) in the relevant box

First time

☐

Contract Extension

☐

Contract Renewal

☒

1.2 Period of contract including extension options:

Expected Start Date of Contract

01/08/2021

Expected End Date of Contract

31/07/2023

Contract Extension Options
(E.g. maximum term in months)

12 months

2. STRATEGIC FIT (Host organisations are not required to complete Section 2)

2.1 OUR STRATEGIC PILLARS

This scheme should relate to at least one of the Trust's five strategic pillars. Please mark with a (x) in the box the relevant pillars for this scheme.

Goal 1: Be recognised as a pioneer in blood and transplantations services across Europe.

☐

Goal 2: Be a recognised leader in specialist cancer services in Europe.

☐

Goal 3: Be recognised as a leader in stated priority areas of research, development and innovation.

☐

Goal 4: An established 'University' Trust which provides highly valued knowledge and learning for all.

☐

Goal 5: An exemplar of sustainability that supports global well-being and social value.

☒

2.2 INTEGRATED MEDIUM TERM PLAN

Is this scheme included in the Trust Integrated Medium Term Plan?	Yes	No
	<input checked="" type="checkbox"/>	<input type="checkbox"/>

If not, please explain the reason for this in the space provided.

2.3 SHAPING OUR FUTURE WELLBEING OBJECTIVES

This scheme should relate to at least one of the Trust's wellbeing objectives. Please mark with a (x) in the box the relevant objectives for this scheme.

Reduce health inequalities, make it easier to access the best possible healthcare when it is needed and help prevent ill health by collaborating with the people of Wales in novel ways.	<input checked="" type="checkbox"/>
Improve the health and well-being of families across Wales by striving to care for the needs of the whole person.	<input checked="" type="checkbox"/>
Create new, highly skilled jobs and attract investment by increasing our focus on research, innovation and new models of delivery.	<input type="checkbox"/>
Deliver bold solutions to the environmental challenges posed by our activities.	<input type="checkbox"/>
Bring communities and generations together through involvement in the planning and delivery of our services.	<input checked="" type="checkbox"/>
Demonstrate respect for the diverse cultural heritage of modern Wales.	<input type="checkbox"/>
Strengthen the international reputation of the Trust as a centre of excellence for teaching, research and technical innovations whilst also making a lasting contribution to global well-being.	<input type="checkbox"/>

FIVE WAYS OF WORKING (SUSTAINABLE DEVELOPMENT PRINCIPLES) CONSIDERED

Please mark with a (x) in the box the relevant principles for this scheme.

Click [here](#) for more information

Prevention	<input type="checkbox"/>	Long Term	<input checked="" type="checkbox"/>	Integration	<input checked="" type="checkbox"/>	Collaboration	<input checked="" type="checkbox"/>	Involvement	<input type="checkbox"/>
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3. OPTIONS CONSIDERED

Include 'business as usual' i.e. 'do nothing'

3.1 Please state alternative options considered and reasons for declining

Option 1 – Do nothing: Allowing the existing contract to continue would result in NHS Wales missing out on an opportunity to save circa 10% off existing cost, and not improve existing terms and conditions.

Option 2 – Full competition: Supplier engagement has proven that there is no comparable product currently available to meet the Wales junior doctor contract T&Cs. However, there are several companies (Skills for Health, Liaison) actively enhancing their products to meet the technical specification. It is anticipated that Wales will commence a full competition re-tender in Summer 2022. A two-year contract will be awarded because Allocate only operate on a minimum two-year extension period. **Option 3 – Mini competition off a framework:** Supplier engagement has confirmed other suppliers in the market place are unable to provide a comparable product at this present time. The potential suppliers (Skills for Health, Liaison) presented to a group of NHS Wales stakeholders who confirmed continuation of services with Allocate best meets the needs of NHS Wales at this present time. It is hoped the market place will be able to provide a comparable product by the time NHS Wales go out to tender.

4. BENEFITS

4.1 Outline benefits of preferred option

1. Cost savings off contract list prices. Exact savings figures are in the process of being quantified.
2. Time to understand the current & future requirements of the UHBs for Junior Doctor Roster Monitoring, particularly around the implementation of a potential 'new' junior doctor contract for Wales; exploring the opportunity to interface with doctor rostering systems for administration efficiencies where implemented.
3. Review the current algorithm used to calculate junior doctor rotas, encouraging UHBs to adopt a 'Once for Wales' approach. This will determine whether cost savings could be made as a result
4. No impact on UHBs/Trusts due to change of system/processes

5. RISKS & MITIGATION

5.1 Please state risks of not proceeding with the scheme	5.2 Please state any mitigation to reduce the risk if the scheme is not approved
<ul style="list-style-type: none"> ▪ NHS Wales will not save 10% on existing cost ▪ Missed opportunity to deliver benefits defines in 4.1 	<ul style="list-style-type: none"> ▪ If the new contract is not approved NHS Wales not be able to obtain cost savings and improve existing terms and conditions.

	<p>Without the e-rota system, all NHS Wales organisations will have to manually evaluate and calculate junior doctor pay banding supplements according to an analysis of their rota pattern and out of hour working patterns over numerous weeks, in accordance with New Deal and WTD. Without the system, organisations will also not be able to undertake bi-annual monitoring exercises of the rotas which is a legal requirement of the junior doctor contract in Wales without reverting to paper-based processes.</p> <p>The e-Rota system has been in use in NHS Wales for the past decade and the contract has been previously held by WG. This was handed across to NWSSP to 'award' on behalf of NHS Wales for the next 'term' and to arrange the associated re-charge process to NHS orgs.</p>
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6. PROCUREMENT ROUTE

6.1 How is the contract being procured? Please mark with a (x) as relevant.	
Competition 3 Quotes <input type="checkbox"/> Formal Tender Exercise <input type="checkbox"/> Mini competition <input type="checkbox"/> Find a Tender <input type="checkbox"/> <small>(replaces OJEU Public Contract regulations 2015 still apply)</small>	Single source Single Quotation Action <input type="checkbox"/> Single Tender Action <input type="checkbox"/> Direct call off Framework <input checked="" type="checkbox"/> All Wales contract <input checked="" type="checkbox"/>
Please click here for link to Procurement Manual for additional guidance	
6.2 Please outline the procurement strategy	
The procurement strategy is to award a direct Call Off via the Health Trust Europe ICT Solutions 2 framework Information Communication Technology (ICT) Solutions.	

The contract will be governed by the Terms and Conditions of the Health Trust Europe Framework, ensuring protection for the contracting authority and minimal financial risk as the checks are carried out on our behalf by the Framework Provider.

6.3 What is the approximate time line for procurement?

Direct award in June / July 2021 to enable new contract to start on 1st August 2021.

6.4 PROCUREMENT ROUTE APPROVAL

The Head of Procurement / Delegated Authority has approved the preferred procurement route

Head of Procurement Name: Nic Cowley

Signature:

N Cowley

Date: 20/05/2021

7. FINANCIAL ANALYSIS

Maximum expected whole lifecost relating to the award of contract	Excluding VAT (£k) £678,066	Including VAT (£k) £813,679
The nature of spend	Capital <input type="checkbox"/>	Revenue <input checked="" type="checkbox"/>
How is the scheme to be funded? Please mark with a (x) as relevant.		
<div>Existing budgets <input checked="" type="checkbox"/></div> <div>Additional Welsh Government funding <input type="checkbox"/></div> <div>Other <input type="checkbox"/></div>		
If you have selected 'Other' – please provide further details below:		

PROFILE OF EXPENDITURE

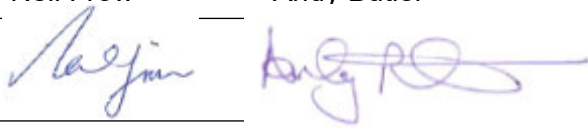
The overall expenditure is detailed below: EXPENDITURE CATEGORY	Year 1 (exc. VAT) £k	Year 2 (exc. VAT) £k	Total Future Years (exc. VAT) £k Optional	Total (exc.VAT) £k	Total (inc. VAT) £k
ERota (3280 users)	£215,088	£225,843	£237,135	£678,066	£813,679
Overall Total	£215,088	£225,843	£237,135	£678,066	£813,679

The price for year 1 includes a negotiated 10% discount against the normal renewal price of £244,583.

8. PROJECT MANAGEMENT (if applicable)

What are the management arrangements associated with this scheme? E.g. PRINCE 2	Prince 2 principles will be applied.
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9. DIRECTOR/SPONSOR DECLARATION OF COMPLIANCE

The Lead Director, by providing email confirmation, to seek Board approval is making a declaration that all procurement procedures, standing orders and standing financial instructions requirements have been appropriately discharged and observed and that where relevant, appropriate advice and confirmation has been obtained to that effect. Procurement Services retain this confirmation electronically in the tender file.	
Lead Director Name:	Neil Frow Andy Butler
Signature:	
Service Area:	Corporate & Finance Services
Date:	21/05/2021

10. APPROVALS RECEIVED

List and include date of approvals received in support of this scheme.

Divisions	Date of Approval:
Business Planning Group or local equivalent	
Divisional Senior Management Team Executive Management Board	

Host Organisations	Date of Approval:
NWSSP / NHS Wales Shared Services Partnership Committee	TBC
HTW – Senior Management Team	



GIG
CYMRU
NHS
WALES

Ymddiriedolaeth GIG
Prifysgol Felindre
Velindre University
NHS Trust

TRUST BOARD

APPROVED POLICIES UPDATE

DATE OF MEETING	08/06/2021
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PUBLIC OR PRIVATE REPORT	Public
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IF PRIVATE PLEASE INDICATE REASON	Not Applicable - Public Report
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PREPARED BY	Catherine Currier, Business Support Officer
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PRESENTED BY	Emma Stephens, Head of Corporate Governance
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EXECUTIVE SPONSOR APPROVED	Lauren Fear, Director of Corporate Governance & Chief of Staff
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REPORT PURPOSE	FOR NOTING
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COMMITTEE/GROUP WHO HAVE RECEIVED OR CONSIDERED THIS PAPER PRIOR TO THIS MEETING

COMMITTEE OR GROUP	DATE	OUTCOME
Quality, Safety & Performance Committee	13/05/2021	APPROVED

ACRONYMS

QSP	Quality, Safety & Performance Committee
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1. SITUATION/BACKGROUND

- 1.1 In accordance with the “Policy for the Management of Policies, Procedures and other Written Control Documents”, the Trust Board will receive all approved policy documents for information under the consent agenda.
- 1.2 The purpose of this report is for the Trust Board to note the policies that have been approved since the last report in March 2021.

2. ASSESSMENT / SUMMARY OF MATTERS FOR CONSIDERATION

- 2.1 Following approval at the relevant Committees the policies below were uploaded to the Trust Intranet and internet site and circulated via the policy distribution list for immediate implementation.
- 2.2 The list of Policies approved since the report received by the Trust Board are outlined below:

Policy Title	Policy Lead / Function	Approving Committee	Effective Date
Respect and Resolution Policy (All Wales)	Organisational Development & Workforce	Quality Safety & Performance Committee	13 May 2021

3. IMPACT ASSESSMENT

QUALITY AND SAFETY IMPLICATIONS/IMPACT	Yes (Please see detail below) The Trust has a defined process for the management of policies and written control documents. The purpose of which is to ensure staff are aware of their responsibilities with regards to Trust policy documents and to provide a ‘model’ guide and consistent approach for the development, management and dissemination of the Trusts documents
RELATED HEALTHCARE STANDARD	Governance, Leadership and Accountability If more than one Healthcare Standard applies please list below:
EQUALITY IMPACT ASSESSMENT COMPLETED	Not required
LEGAL IMPLICATIONS / IMPACT	There are no specific legal implications related to the activity outlined in this report.



GIG
CYMRU
NHS
WALES

Ymddiriedolaeth GIG
Prifysgol Felindre
Velindre University
NHS Trust

FINANCIAL IMPLICATIONS / IMPACT	There is no direct impact on resources as a result of the activity outlined in this report.

4. RECOMMENDATION

- 4.1 The Trust Board is asked to **NOTE** the policy that have been approved since the last report in March 2021.

A light green map of Ireland is centered on a teal background. The map shows the outlines of all 26 Irish counties. The title text is overlaid on the western part of the map.

RESPECT AND RESOLUTION POLICY

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RESPECT AND RESOLUTION POLICY

Approved by: Welsh Partnership Forum

Issue Date: April 2021



01

About this policy



01 About this policy

1. About this policy

1.1 We seek to ensure that all employees have access to a policy to help deal with any requests for resolution relating to their employment fairly, constructively and without unreasonable delay.

1.2 We aim to encourage fairness and positive relationships within the workplace. We aim to prevent bullying, harassment and any form of unacceptable behaviour.

1.3 We recognise that a positive working environment and good working relationships have a beneficial impact on employee wellbeing, engagement and patient experience. A positive working environment can also lead to better performance, improved employee retention and reduced stress related sickness absence. Focusing on resolution is good for our organisation, it is good for you and it is good for our patients and service users.

1.4 We recognise conflict and disagreements in the workplace happens but should not always be viewed negatively. When conflict is managed well it leads to healthy, resilient and positive working relationships. We strive for a workplace where everyone can engage with each other constructively and use the toolkit available to seek their own resolution as far as possible.

1.5 If this happens, we will support employees and managers to work together to resolve any issues and conflict constructively and quickly.

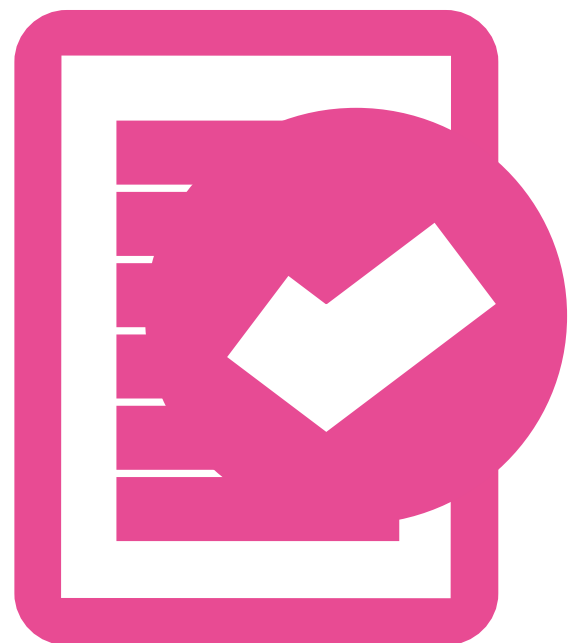
1.6 We commit to resolving issues at the earliest opportunity without resorting to a formal policy. As a last resort it may be necessary to use the formal part of this policy to resolve disputes or issues. This policy sets out our commitment to helping you seek a resolution.

1.7 This policy applies to all employees.

1.8 This policy has been agreed by the Wales Partnership Forum.

1.9 This policy constitutes the formal grievance policy.

1.10 The [Core Principles of NHS Wales](#) are central to this policy and apply throughout.



02

Using this policy



2 Using this policy

2. Using this policy

2.1 This Resolution Policy is aimed at securing constructive and lasting solutions to workplace disagreements, conflicts and complaints. Issues that could cause disagreements, conflicts or complaints may include but are not limited to:

- (a) terms and conditions of employment
- (b) health and safety
- (c) work relations
- (ffffffffffffffffffff)bullying and harassment
- (gggggggggggggggggggggggg) new working practices
- (hhhhhhhhhhhhhhhhhhhhhh) working environment
- (iiiiiiiiiiiiiiiiiii) organisational change; and
- (jjjjjjjjjjjjjjjjjjjj) discrimination.

2.2 The status quo at the time you make your request for resolution will normally remain in place throughout the policy.

2.3 Everyone should ensure that issues are dealt with in a fair and consistent way and dealt with quickly and supportively.

2.4 Every workplace in the NHS in Wales should be free from bullying and harassment. We are committed to ensure all staff are treated, and treat others, with dignity and respect.

This policy covers harassment or bullying which occurs at work and out of the workplace, such as on business trips, at work-related events or online. It covers bullying and harassment by staff (which may include contractors and agency workers) and also by third parties such as patients and visitors to our premises.



03

Informal Resolution



3 Informal Resolution

3. Informal Resolution

3.1 It is our aim that we each take ownership of our relationships so that they are as healthy as possible.

To help this, a [toolkit](#) has been developed which includes these useful approaches:

- (a) Using our shared expectations/promises
- (b) Reflecting Tips on how we can have healthy relationships
- (c) Having a Cuppa Conversation
- (d) Discussing with an appropriate leader/manager
- (e) Gaining support (and challenge) from a Resolution Network colleague
- (f) Taking part in an independently Facilitated Conversation
- (g) Accessing accredited Mediation.

3.2 It is expected that the variety of tools and resources available are used to help resolve the issue(s) prior to raising a formal request for resolution. This can be done with the support of your line manager though this may not always be necessary.

3.3 Most disagreements can be resolved quickly and informally through discussion with your colleagues or line manager. If you feel unable to speak to your manager, for example, because the issue involves them, then you should speak informally to a more senior manager, your Trade Union Representative or a member of Human Resources. If this does not resolve the issue, you should follow the formal part of the policy below.



04

Formal Request for Resolution



4 Formal Request for Resolution

4. Formal Request for Resolution

4.1 This step of the policy constitutes a formal grievance.

4.2 If your issues cannot be resolved informally by using the resources outlined in the toolkit, you should put your request for resolution in writing and submit it to your line manager (or a more senior manager if the issue involves your line manager) or a member of Human Resources.

Human Resources will appoint someone impartial, of sufficient seniority to consider the request. This appointment usually takes place within seven days of receiving the request. This person will be known as the Chair and will decide on the outcome of your request.

4.3 Your written request for resolution should contain a description of the nature of your issue, including any relevant facts, dates, names of individuals involved and the desired resolution you hope to achieve. In some situations, we may ask you to provide more information.

An employee may make a complaint or raise an issue in Welsh and may also respond in Welsh to any allegations made against them and they should be advised of this at the beginning of any proceedings. Any subsequent proceedings should be conducted in Welsh or a simultaneous translation service provided below.



05

Formal Resolution Meetings



5. Formal Resolution Meetings

5.1 The Chair will meet with you to discuss your request for resolution. This should happen within 14 days of the chair being appointed. The purpose of this meeting is to allow you to explain your issue, explain how you think it should be resolved, enabling a decision to be reached based on the available evidence and representations you have made. The focus of this meeting will be seeking a resolution.

5.2 Depending on the detail included within your request for resolution the Chair will either explore the issues with you at this meeting and decide on an outcome or will initiate an investigation to enable your request to be considered further.

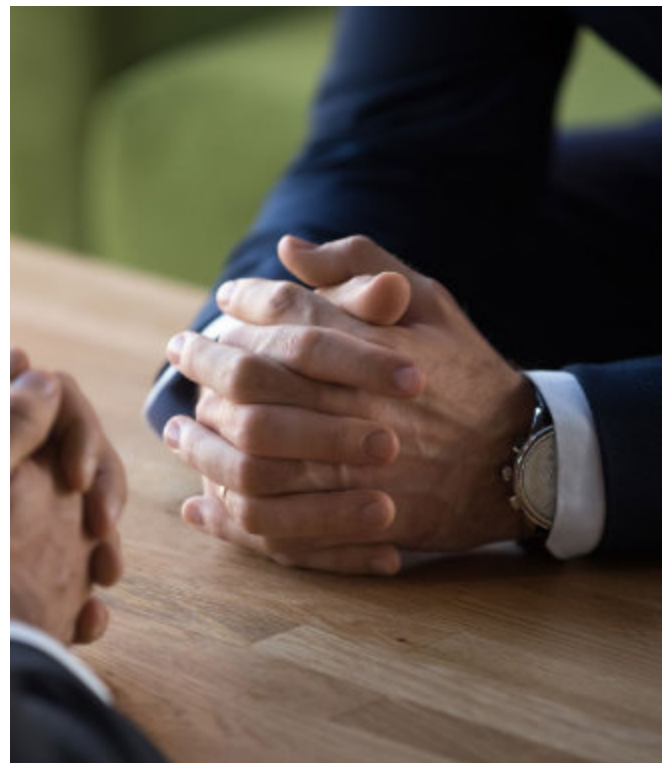
5.3 If a detailed investigation is necessary, the Chair will appoint an investigator. This will normally be an employee of the organisation who is impartial. At this stage, the terms of reference and the timescales will be agreed.

5.4 The level of any investigation required will depend on the nature of the issues involved and will vary from case to case. It may involve interviewing and taking statements from you and any witnesses, and/or reviewing relevant documents.

5.5 The Chair will make a decision based on the information gathered at the formal resolution meeting(s) and with reference to any investigation, if appropriate.

If it is possible the Chair will provide you with a verbal decision at the end of the meeting. In any event, we will write to you, usually within seven days of the formal resolution meeting, to inform you of the outcome and any further action that is intended to resolve the issues. We will also remind you of your right of appeal.

5.6 An accurate record of the meeting will be made and will be available upon request.



06

Appeals



6 Appeals

6. Appeals

6.1 If your issue has not been resolved to your satisfaction you may appeal in writing within 14 days of the date on which the decision was communicated to you in writing.

6.2 We will hold an appeal meeting, normally within one month of receiving your written appeal. This will be dealt with impartially by a more senior person than the Chair who has not previously been involved in the case (although they may ask anyone previously involved to be present where relevant for points of clarification).

This person will be known as the Appeal Chair. The Appeal Chair will be appointed by Human Resources and will usually be appointed within seven days of the appeal being received. The focus of this meeting, again, will be on seeking a resolution.

6.3 We will confirm our final decision in writing within seven days of the appeal meeting. This is the end of the procedure and there is no further appeal.



07

Right to be accompanied



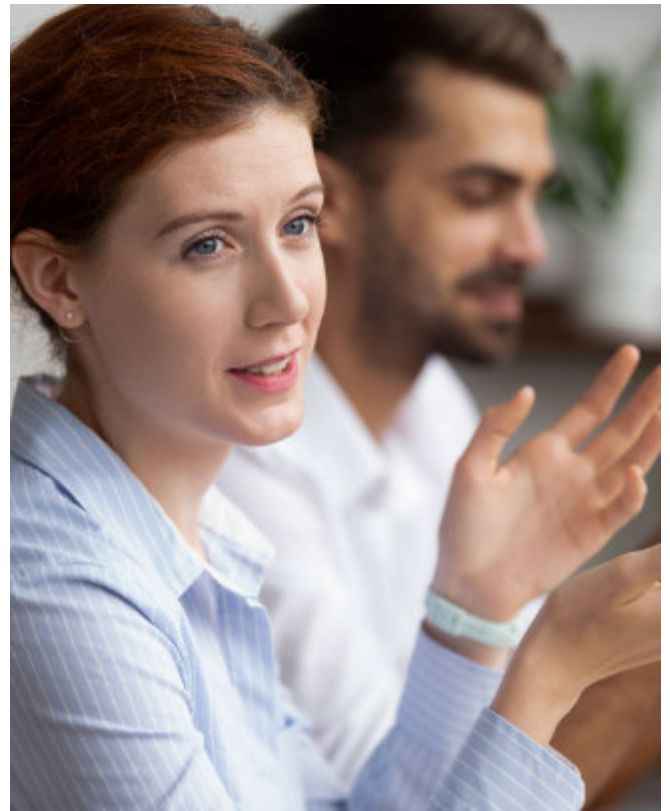
7 Right to be accompanied

7. Right to be accompanied

7.1 You may bring a companion to any investigatory meeting, resolution meeting or appeal meeting to help and support you. The companion may be either a Trade Union Representative or a work colleague.

7.2 At the resolution and appeal meetings your companion may address the meeting to put and sum up your case, respond on your behalf to any views expressed, ask questions and confer with you during the meeting. Your companion should not answer questions on your behalf. You may adjourn and talk privately with them at any time during the meeting.

7.3 All witnesses will also have the right to be accompanied.



08

Collective Request for Resolution



8. Collective Request for Resolution

8.1 This part of the policy applies where more than one employee wishes to invoke the policy on the same issue. This would constitute a formal collective grievance.

8.2 If resolution is required for a collective issue the stages of this policy will be followed in accordance with sections 3 to 7 above. All employees who are in support of the collective request for resolution will need to be identified on the submission.

8.3 The number of employees attending the formal meeting to represent the collective group will be agreed at the outset (but should not normally exceed three employees plus their companion).

8.4 Where this policy fails to reach a resolution to the collective issue, either side may refer the matter to the Advisory Conciliation & Arbitration Service (ACAS) for advice or conciliation.



09

Overlapping Requests for Resolution and Disciplinary Processes



9

Overlapping Requests for Resolution and Disciplinary Processes

9. Collective Request for Resolution

9.1 Where you raise a request for resolution during a disciplinary process, the manager will discuss with you and your representative before a decision is made on whether the disciplinary policy should be temporarily suspended in order to deal with the request for resolution. Where the request for resolution and disciplinary cases are related it may be appropriate to deal with both issues concurrently.

9.2 There may be occasions when disagreements or conflict have been resolved using the toolkit however the organisation may feel that a disciplinary process is required where core values or standards have been breached.

9.3 In some circumstances, such as in cases of harassment or discrimination, it may be decided by the Chair that it is more appropriate to suspend the resolution process and progress the matter under the appropriate disciplinary policy.



10

Overlapping Requests for Resolution and Disciplinary Processes



10 Overlapping Requests for Resolution and Disciplinary Processes

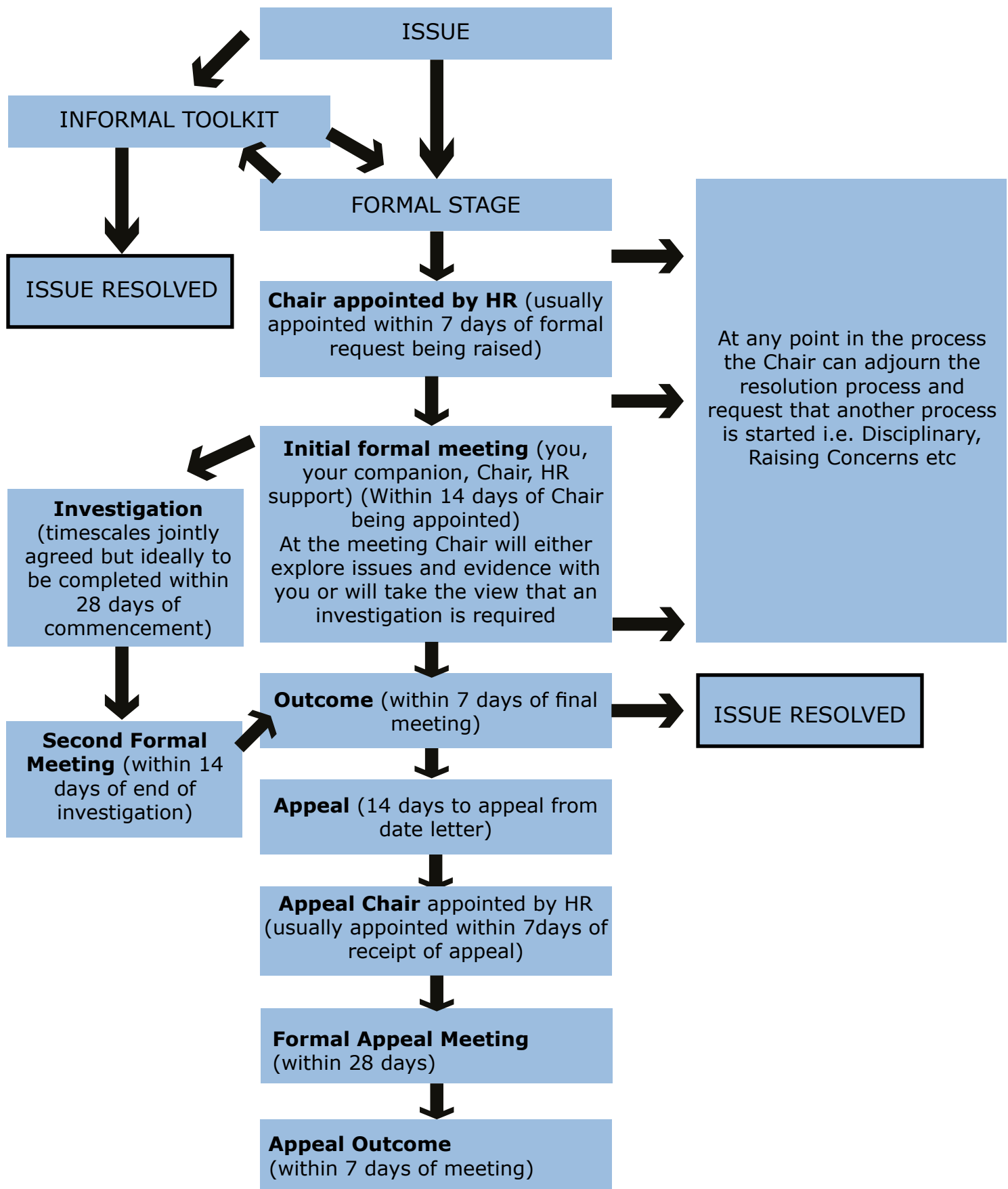
10. Overlapping Requests for Resolution and Disciplinary Processes

10.1 Where appropriate we will reflect and learn from the resolution process. This stage is not a requirement but is encouraged and may be useful in helping develop healthier working environments and relationships.

10.2 This review should be conducted in partnership where appropriate, with a view to developing and supporting a healthy working culture. These discussions should be focused on positive outcomes and change (see [toolkit](#)).



11 Flowchart



Respect and Resolution Policy FAQs

1. Who is “we” and who is “you”?

“You” refers to you; i.e. the employee making the request for resolution. “We” refers to the employer as a corporate entity; i.e. the organisation. “We” should not be confused with the manager who is conducting the meeting(s) i.e. the Chair.

2. Who is covered by this policy?

Only employees are covered by the formal resolution policy. Workers (either agency or bank) do not have recourse to the formal part of this policy. However, all staff (substantive employees and bank and agency workers) have recourse to the informal resolution stages and should be supported and encouraged to seek resolution using the various tools. Workers will have a separate right to raise issues via their contractual terms of engagement.

3. Does this policy apply after employment has ended?

This policy applies to employees only, and therefore would not ordinarily apply after employment has ended. There may be some circumstances where the employer may want to explore/investigate issues raised after the employment has ended such as if there is a concern over unpaid wages or unused annual leave. If there is such a request for resolution it may be that the matter can be resolved without the need to use the formal part of the policy. Best practice would be to consider each issue on a case by case basis and to try to seek a resolution that means that the matter is not escalated externally.

4. What constitutes an accurate record?

Depending on the employer’s normal practice an accurate record can be minutes taken by a note taker (supplied by the employer) or an audio recording. The employee raising the request for resolution should have an opportunity to comment on the accuracy of the record and access a copy of the record.

It is good practice to keep a written record of all stages in the process including investigation and meetings.

5. Are there any instances when status quo would not apply?

Status quo means that the existing state of affairs remains unchanged. The status quo will normally continue until the request for resolution has been resolved or the formal

procedure has been exhausted. There may be exceptional circumstances such as (but not limited to) a breach of legal requirements or clinical safety issues which may impact upon the status quo. In such exceptional circumstances early dialogue with the employee(s) and/or representative(s) should take place.

6. Does this policy apply if my complaint is about terms and conditions or working practices for instance?

Yes, this policy is the framework for any disagreement or issues at work. Some examples are provided in 2.1 of the policy. We would encourage and expect you to use discretion in deciding which is the most appropriate part of the toolkit to use to resolve your issue. You can seek advice from your Trade Union Representative or Human Resources should you require assistance in determining where to start with your particular issue.

7. Does this policy replace the Dignity at Work Policy and the Grievance Policy?

Yes, this policy is the framework for any workplace dispute. This policy replaces the previous Dignity at Work policy and the Grievance Policy. The aim of this approach is to encourage and support employees to use informal tools to resolve their workplace disagreements early and effectively in the first instance whilst still providing a clear formal procedure to follow if informal resolution is not possible.

We appreciate that this may be difficult in cases of bullying and harassment, where employees may not wish to 'tackle' the issues head on with the other individuals involved. Trade Union Representatives and Human Resources staff are able to assist should the issues involved be too sensitive to address directly.

8. I don't believe informal resolution is possible can I go straight to the formal part of the policy?

There may be circumstances where there is no other option than to go straight to the formal part of the policy however in most cases we would expect and encourage that the toolkits for informal resolution are used. We recognise that a positive working environment and good working relationships have a beneficial impact on employee wellbeing, engagement and patient experience.

9. Can witnesses be called to resolution meetings?

Witnesses can be called to resolution meetings but there is not an automatic right to this. Discussions should take place between you and the Chair depending on the issues involved and the particular relevance of a specific witness. Witnesses should be allowed where their evidence is specific to the events on which the request for

resolution is based. Where appropriate written witness statements should be encouraged.

The focus at resolution meetings should be on finding and achieving a resolution rather than arbitrating between conflicting evidence.

10. The time scales set out in the policy have been missed. What are the implications of this?

We will always try to comply with the time scales set out in the policy however there may be circumstances where this is not possible due to the complex nature of some of the issues raised. If it appears likely that time scales will not be met then this should be communicated to all parties.

11. How long should an investigation take to complete?

The length of an investigation will vary depending on the facts and nature of the circumstances. It is expected that an investigation should be completed within 28 days. In accordance with 5.3 of the policy, the parties should agree timescales and keep each other informed where possible.

12. What could happen if a malicious request for resolution is raised?

In circumstances where it becomes apparent that a request for resolution has been raised in a malicious manner the employer may decide to invoke disciplinary procedures against the employee raising the issue in a malicious manner.

This is unlikely to occur very often however it is important to recognise that accusations made against individuals can be very upsetting and cause distress. Where it becomes apparent that the accusations are either malicious, have no basis or are in effect a form of bullying then the employer reserves the right to take the appropriate course of action.

13. Should all documentation be fully disclosed?

An open and transparent approach is important with regards to resolving conflicts and therefore ordinarily it would be expected that all parties receive all the documentation related to the case. There may be certain circumstances where information about patients or third parties will need to be redacted or that the nature of the complaint (i.e. sexual harassment) requires a greater degree of discretion. In circumstances where full disclosure is not possible, employers will be expected to explain why.

14. Is the resolution process confidential?

Individual resolution processes should be regarded as strictly confidential by all parties involved. Details should only be shared with the parties involved which includes Trade Union Representatives. Breaching confidentiality will be treated very seriously and could result in disciplinary action.

15. What happens if there is an existing contractual process to resolve my complaint?

Where such processes exist they should be followed. Examples of such situations include but are not limited to processes like Agenda for Change job re-evaluation, or Junior Doctor banding appeals. If such processes exist, the appropriate processes should be followed. The decision in those processes will be final. If an issue arises with the process, however, then the resolution policy can be used.

16. Are the informal steps (i.e. using the toolkits) mandatory?

Use of the toolkits to informally resolve any issues is strongly encouraged and is fundamental to developing healthy working relationships in the long term. There will of course be circumstances where this is not appropriate but in the majority of cases we believe that you will be able to resolve your issues far better if the informal steps are pursued in a sincere manner.

17. How long should the file relating to the process be kept for?

The significant documents and records of this process should be kept on your personnel file indefinitely. This includes the minutes of the meetings or the audio files (or the transcripts of the audio files). A record should be made on the relevant employees' files providing a summary of the process. This too should be kept indefinitely. No sanctions arise from the resolution process and in no way should this record be viewed as having negative connotations. By having accurate records it will allow us to identify where the process has been successful (or not) and identify patterns and trends that potentially warrant more work in order to build healthy working relationships.

18. What is harassment?

Harassment is any unwanted physical, verbal or non-verbal conduct that has the purpose or effect of violating a person's dignity or creating an intimidating, hostile, degrading,

humiliating or offensive environment for them. A single incident can amount to harassment.

It also includes treating someone less favourably because they have submitted or refused to submit to such behaviour in the past.

Unlawful harassment may involve conduct of a sexual nature (sexual harassment), or it may be related to age, disability, gender reassignment, marital or civil partner status, pregnancy or maternity, race, colour, nationality, ethnic or national origin, religion or belief, sex or sexual orientation. Harassment is unacceptable even if it does not fall within any of these categories.

Harassment may include, for example:

- (a) unwanted physical conduct or "horseplay", including touching, pinching, pushing and grabbing;
- (b) continued suggestions for social activity after it has been made clear that such suggestions are unwelcome;
- (c) sending or displaying material that is pornographic or that some people may find offensive (including e-mails, text messages, video clips and images sent by mobile phone or posted on the internet);
- (d) unwelcome sexual advances or suggestive behaviour (which the harasser may perceive as harmless);
- (e) racist, sexist, homophobic or ageist jokes, or derogatory or stereotypical remarks about a particular ethnic or religious group or gender;
- (f) outing or threatening to out someone as gay or lesbian;
- (g) offensive e-mails, text messages or social media content; or
- (h) mocking, mimicking or belittling a person's disability.

A person may be harassed even if they were not the intended "target". For example, a person may be harassed by racist jokes about a different ethnic group if the jokes create an offensive environment.

19. What is bullying?

Bullying is offensive, intimidating, malicious or insulting behaviour involving the misuse of power that can make a person feel vulnerable, upset, humiliated, undermined or threatened. Power does not always mean being in a position of authority but can include both personal strength and the power to coerce through fear or intimidation.

Bullying can take the form of physical, verbal and non-verbal conduct. Bullying may include, by way of example:

- (a) physical or psychological threats;

- (b) overbearing and intimidating levels of supervision;
- (c) inappropriate derogatory remarks about someone's performance;

Legitimate, reasonable and constructive criticism of a worker's performance or behaviour, or reasonable instructions given to workers in the course of their employment, will not amount to bullying on their own.

Bullying and harassment can happen face-to-face, by letter, by email or online (i.e. social media) and by phone or text.

20. What should I do if I feel like I am being bullied or harassed?

If you are being harassed or bullied, with reference to the toolkit, consider whether you feel able to raise the problem informally with the person responsible. You could start by explaining clearly to them that their behaviour is not welcome or makes you uncomfortable. If this is too difficult or embarrassing, you should speak to your line manager, your Trade Union Representative or a member of Human Resources, who can provide confidential advice and assistance in resolving the issue informally.

21. I want to make a formal complaint about bullying and harassment – how?

If informal steps are not appropriate, or have been unsuccessful, you should follow the formal request for resolution procedure set out at clause 4 onwards in the policy.

If you wish to make a formal complaint about bullying or harassment, you should submit your request for resolution in writing in accordance with clause 4.2 so that it can be fully investigated.

As a general principle, the decision whether to progress a complaint is up to you. However, we have a duty to protect all staff and may pursue the matter independently if, in all the circumstances, we consider it appropriate to do so.

22. How will I be protected during this process?

Where your complaint is about another person, such as a colleague, patient or visitor, we will consider what action may be appropriate to protect you and anyone involved pending the outcome of the investigation, bearing in mind the reasonable needs of the organisation and the rights of that person. Where appropriate, we will attempt to discuss the matter with the third party.

We will also seriously consider any request that you make for changes to your own working arrangements during the investigation. For example, you may ask for changes to

your duties or working hours so as to avoid or minimise contact with the alleged harasser or bully.

22. Who would be at a formal meeting and who would be at a formal appeal?

Attendance should be limited to those who are required to attend. Ordinarily this means the person making the request for resolution, their representative (or colleague), the Chair and the Chair's HRsupport. Minute takers may be required. Additional attendees such as subject matter experts may also be invited but this will be agreed on a case by case basis by the parties. Observers are permitted for learning and development again if there is agreement by the parties. With regards to witnesses please see FAQ 9 and 5.4.

TRUST BOARD

TRUST SEAL REPORT – MARCH 2021 - APRIL 2021

DATE OF MEETING	08/06/2021	
PUBLIC OR PRIVATE REPORT	Public	
IF PRIVATE PLEASE INDICATE REASON	Not Applicable - Public Report	
PREPARED BY	Kay Barrow, Corporate Governance Manager	
PRESENTED BY	Lauren Fear, Director of Corporate Governance & Chief of Staff	
EXECUTIVE SPONSOR APPROVED	Lauren Fear, Director of Corporate Governance & Chief of Staff	
REPORT PURPOSE	FOR APPROVAL	
COMMITTEE/GROUP WHO HAVE RECEIVED OR CONSIDERED THIS PAPER PRIOR TO THIS MEETING		
COMMITTEE OR GROUP	DATE	OUTCOME
N/A		
ACRONYMS		
TCS	Transforming Cancer Services	
nVCC	New Velindre Cancer Centre	

1. SITUATION/BACKGROUND

- 1.1 The contents of the Trust Board Seal Register have been approved by the Chair and the Chief Executive Officer of the Trust at every Seal request (period March 2021 – April 2021).
- 1.2 Board members are asked to view the contents of the report and further information or queries should be directed to the Director of Corporate Governance & Chief of Staff.

2. ASSESSMENT / SUMMARY OF MATTERS FOR CONSIDERATION

- 2.1 Option Appraisal / Analysis: Please refer to the Seal Register at Appendix 1.

3. IMPACT ASSESSMENT

QUALITY AND SAFETY IMPLICATIONS/IMPACT	There are no specific quality and safety implications related to the activity outlined in this report.
RELATED HEALTHCARE STANDARD	Governance, Leadership and Accountability If more than one Healthcare Standard applies please list below:
EQUALITY IMPACT ASSESSMENT COMPLETED	Not required
LEGAL IMPLICATIONS / IMPACT	Yes (Include further detail below) A record that Trust Board Seal Register have been approved by the Chair and the CEO of the Trust at every Seal request.
FINANCIAL IMPLICATIONS / IMPACT	There is no direct impact on resources as a result of the activity outlined in this report.

4. RECOMMENDATION

- 4.1 The Board is asked to **APPROVE** the contents of the Trust Board Seal Register included in Appendix 1.

Appendix 1 – Seal Register

Date	Document Details	Signed
15/03/2021	Transfer of Part Registry Title Deeds for landlying North of Velindre Road, Whitchurch, Cardiff	Prof Donna Mead, Chair Mr. Steve Ham, CEO
15/03/2021	Transfer of Part Registry land at Whitchurch Hospital, Whitchurch, Cardiff	Prof Donna Mead, Chair Mr. Steve Ham, CEO
15/03/2021	Velindre University NHS Trust and Cardiff & Vale University Local Health Board Overage Deed relating to land at Whitchurch Hospital.	Prof Donna Mead, Chair Mr. Steve Ham, CEO
15/03/2021	Deed of Clarification relating to land atWhitchurch Hospital and land at Velindre Cancer Centre, Cardiff	Prof Donna Mead, Chair Mr. Steve Ham, CEO
15/03/2021	Valley Mechanical Ltd and Velindre University NHS Trust and Skyline Property Solutions Limited Sub Contractor Deed of Collateral Warranty (x 3 copies) Refurbishment works Media Point, Media Business Park, Mold	Prof Donna Mead, Chair Mr. Steve Ham, CEO
15/03/2021	BBB Mechanical Limited and Velindre University NHS Trust and Skyline Property Solutions Limited Sub-Contractor Deed of Collateral Warranty: Refurbishment works, Media Point, Media Business Park, Mold (x 3 copies)	Prof Donna Mead, Chair Mr. Steve Ham, CEO
15/03/2021	System Electrical Limited and Velindre University NHS Trust and Skyline Property Solutions Limited Sub-Contractor Deed of Collateral Warranty: Refurbishment works Media Point, Media Business Park, Mold (x 3 copies)	Prof Donna Mead, Chair Mr. Steve Ham, CEO
15/03/2021	Skyline Property Solutions Limited and Velindre University NHS Trust and MOJO 2 Limited Contractor Deed of Collateral Warranty: Refurbishment Works, Media Point, Media Business Park, Mold (x 3 copies)	Prof Donna Mead, Chair Mr. Steve Ham, CEO

Date	Document Details	Signed
15/03/2021	Cardiff Community Housing Association Limited and Velindre University NHS Trust Lease relating to 19 Park Road, Whitchurch, Cardiff, CF14 7BP	Prof Donna Mead, Chair Mr. Steve Ham, CEO
30/03/2021	Short Bros (Developments) Limited and Velindre University NHS Trust Lease of Unit 25, Samlet Road, Swansea Enterprise Park, Swansea, SA7 9AF	Prof Donna Mead, Chair Mr. Steve Ham, CEO
14/04/2021	Meridian IT Limited and Velindre University NHS Trust Underlease relating Ground floor, East Suite, Unit 2 Cefn Coed, Nantgarw, Cardiff, CF15 7QQ (Medical Examiners)	Prof Donna Mead, Chair Mr. Steve Ham, CEO
14/04/2021	James Walter Jay and Jil Helen Jay as Trustees of the JE Settlement Trust and Meridian IT Limited and Velindre University NHS Trust Licence to Underlet relating to Ground Floor, East Suite, Unit 2 Cefn Coed, Treforest (Medical Examiners)	Prof Donna Mead, Chair Mr. Steve Ham, CEO
21/04/2021	Cardiff & Vale University Health Board and Velindre University NHS Trust Licence relating to use of haul road on land at Whitchurch Hospital, Cardiff (TCS Programme – nVCC Project)	Prof Donna Mead, Chair Mr. Steve Ham, CEO

TRUST BOARD

NHS WALES SHARED SERVICES – PROPOSED AMENDMENTS TO FINANCIAL DELEGATION

DATE OF MEETING	08/06/2021	
PUBLIC OR PRIVATE REPORT	Public	
IF PRIVATE PLEASE INDICATE REASON	Not Applicable - Public Report	
PREPARED BY	Andy Butler, Director of Finance & Corporate Services – NWSSP	
PRESENTED BY	Mark Osland, Executive Director of Finance & Informatics	
EXECUTIVE SPONSOR APPROVED	Mark Osland, Executive Director of Finance & Informatics	
REPORT PURPOSE	FOR APPROVAL	
COMMITTEE/GROUP WHO HAVE RECEIVED OR CONSIDERED THIS PAPER PRIOR TO THIS MEETING		
COMMITTEE OR GROUP	DATE	OUTCOME
Partnership Committee	20/05/2021	ENDORSED FOR APPROVAL
ACRONYMS		
ELS	Existing Liability Scheme	
MPS	Medical Protection Society	

1. SITUATION/BACKGROUND

There are three separate amendments to the Scheme of Delegation requiring Trust Board approval as follows:

Further Extension to COVID Expenditure Limits

Temporary adjustments were made to the financial limits delegated to NWSSP in respect of COVID19 and pandemic related expenditure incurred on behalf of NHS Wales by the Velindre University NHS Trust Board held in March, June and September 2020, and March 2021. After that agreement by the Velindre Board, a NWSSP Finance Governance Group was also established to oversee COVID19 related expenditure incurred on behalf of NHS Wales that required payments in advance and approval by the Velindre Board. The Executive Director of Finance and the Vice Chair of Velindre University NHS Trust are members of the Finance Governance Group.

It was initially agreed on 18 March 2020 to increase the delegated authorisation limits for the Chair and Managing Director for COVID 19 expenditure to £2M. This was subsequently increased to £5M from 30 March 2020. However, contracts and orders for COVID expenditure in excess of £5M still require approval of the Velindre Trust Board, which for expedience may need to be through the existing mechanism of Chair's action. Welsh Government approval is still required on all orders over £1m or advanced payments worth 25% or more of the contract value. The Trust Board agreed to extend these limits to 31 March 2021 at its September meeting, and then again to 30 June 2021 at the March meeting.

Changes to the payment process for Existing Liability Scheme (ELS)

The Welsh Government has delegated operation of the Existing Liabilities Scheme (ELS) to the Legal and Risk Services (L&R) Division of NHS Wales Shared Services Partnership (NWSSP).

In accordance with the Scheme of Delegation, decisions to compromise claims and to make payments up to a total claim value / payment limit of up to £1M can be made by NWSSP and approved internally in-line with the scheme of delegation authority levels. Any value of damages decisions / payments >£1M require approval from Welsh Government.

The Partnership Committee approved the Scheme of Delegation on 21st May 2020 and the Velindre NHS Trust Board approved the Scheme in June 2020. As we approach the anniversary of the Scheme and with the addition of Medical Protection Society (MPS)

claims from April 2021, a need to review and adjust the authority limits has become apparent to ensure the operational efficiency of ELS.

ESR Recharges

The NWSSP Managing Director and Director of Finance and Corporate Services are currently authorised to approve ESR recharges to a maximum value of £750k. Following a significant increase in the amounts being recharged to NHS Wales by the Department of Health and Social Care for the ESR system, this authorisation limit is no longer sufficient.

2. ASSESSMENT / SUMMARY OF MATTERS FOR CONSIDERATION

Further Extension to COVID Expenditure Limits

The COVID-19 pandemic brought unprecedented challenges to health and social care provision and required significant and sometimes difficult decisions at pace. It was recognised and appreciated that established governance and finance procedures may be disrupted by the need to act swiftly to secure the goods and services required to respond effectively to the national emergency and Welsh Government priorities.

Since early March 2020, NWSSP has issued over 679 million items of PPE to the health and social care sectors in Wales. Over 325 million of these items have been issued to local authorities for onward distribution to social care settings. While there were initial concerns on shortages, the level of supply was maintained at the most challenging time with no stock-outs.

The NWSSP Finance Governance Group meetings have demonstrated a fair and robust governance process is operating, that has helped to expedite key procurement decisions to support the NHS in Wales. It has also helped to pre-empt questions that might reasonably be raised by the Velindre Board in its consideration of risks and appropriate mitigation.

NWSSP is still operating in a market where we are competing for supply against demand from across Europe and beyond. The very high levels of demand in the priority areas experienced since March 2020 have settled, and whilst market conditions are improving, they remain fragile for some categories. Although we have not needed to rely on the increased expenditure limits for some time, and do not anticipate needing to use them going forward, the situation can change instantly. Some items remain very difficult to obtain (e.g. gloves) and it would therefore be useful to have the contingency of the higher limit for a further three months.

Results of reviews into the procurement of PPE by both Audit Wales and Internal Audit have been largely positive in terms of the adequacy and effectiveness of internal financial controls in operation during the Covid-19 pandemic, with particular regard to the role of the Finance Governance Group and the early payment process implemented, in ensuring that value for money is maintained.

We therefore request an extension of the temporary limits until 30 September 2021.

Changes to the payment process for Existing Liability Scheme (ELS)

Since the 1st April 2021 and the transfer of MPS claims into the scheme, there has been a large increase in the number of claims within the scheme such that the number of live claims now totals 119. At present, the Scheme of Delegation requires payments above £100k to be authorised by the Managing Director (with those above £500k also requiring approval from the NWSSP Chair). Analysis of current claims suggests that 45% will require the Managing Director's approval which creates a disproportionate workload which will inevitably result in claims decisions taking too long to make and payments of damages potentially not being made within the time limits ordered by the Court. In addition, should the Managing Director be unavailable due to leave or otherwise, the Scheme of Delegation fails, and instructions would be required directly from Welsh Government.

It is therefore proposed that the delegation levels are adjusted to realign the authorisation process in order to ensure senior leadership in NWSSP are not unduly burdened by the Scheme and the ELS claims can be efficiently administered within the time limits applicable and with less single points of failure.

The L&R and Welsh Risk Pool Services Limits in place for WRP Managed Claims already have much higher delegation levels than the current ELS Scheme of Delegation. Under the managed claims service levels, there is an authority level of up to £500K for the Director of L&R and WRP, which includes an authority for the Director to agree settlements and to make admissions. The Director of L&R (a clinical negligence solicitor) is therefore well placed to adjudicate decisions at the higher proposed authority levels requested for ELS claims in this paper.

The proposed changes, if approved, would change the Scheme of Delegation as follows;

Scheme Designation	Current Damages Limit (£)	Proposed Damages Limit (£)
Welsh Government	1M and over	1M and over
Managing Director and NWSSP Chair	Up to 1M	Up to 1M
Managing Director	Up to 500k	Up to 500k
Director of Finance & Corporate Services or Director of Legal and Risk Services and Welsh Risk Pool	Up to 100k	Up to 500k
Deputy Director of Finance & Corporate Services or Deputy Director of Legal and Risk Services and Welsh Risk Pool	Up to 50k	Up to 100k
Head of Function - GMPI Team Leader	Up to 10k	Up to 50k

In terms of senior leadership resources and the efficient management of ELS, it is proposed the balance of resources is better struck with the quality of oversight remaining in place. ELS claims with a value over £100K can also be administered within the Scheme should the Managing Director be on leave or otherwise.

ESR Recharges

It is proposed to increase in the ESR Recharge limit (currently £750k) to £1m. This is to reflect significantly higher charges being recharged to NHS Wales by the Department of Health and Social Care for the ESR system.

IMPACT ASSESSMENT

QUALITY AND SAFETY IMPLICATIONS/IMPACT	There are no specific quality and safety implications related to the activity outlined in this report.
RELATED HEALTHCARE STANDARD	Governance, Leadership and Accountability
	If more than one Healthcare Standard applies please list below:
EQUALITY IMPACT ASSESSMENT COMPLETED	Not required

LEGAL IMPLICATIONS / IMPACT	There are no specific legal implications related to the activity outlined in this report.
FINANCIAL IMPLICATIONS / IMPACT	Yes (Include further detail below)
	All resource requirements to be fully reimbursed by Welsh Government

3. RECOMMENDATIONS

- 3.1 The Board **APPROVE** a further extension to the financial scheme of delegation in respect of COVID 19 related contracts allowing the Chair and Managing Director of NWSSP to continue to approve contracts up to £5m, until 30 September 2021.
- 3.2 The Board **APPROVE** the proposed changes to the Scheme of Delegation for the Existing Liability Scheme.
- 3.3 The Board **APPROVE** the increase in the ESR Recharge limit to £1m.

TRUST BOARD

MEMORANDUM OF UNDERSTANDING FOR PARTNERSHIP BOARD WITH CARDIFF AND VALE UNIVERSITY HEALTH BOARD

DATE OF MEETING	8/6/21	
PUBLIC OR PRIVATE REPORT	Public	
IF PRIVATE PLEASE INDICATE REASON	Not Applicable – Public	
PREPARED BY	Lauren Fear, Director of Corporate Governance	
PRESENTED BY	Lauren Fear, Director of Corporate Governance	
EXECUTIVE SPONSOR APPROVED	Lauren Fear, Director of Corporate Governance & Carl James, Director of Strategic Transformation, Planning & Digital	
REPORT PURPOSE	FOR NOTING	
COMMITTEE/GROUP WHO HAVE RECEIVED OR CONSIDERED THIS PAPER PRIOR TO THIS MEETING		
COMMITTEE OR GROUP	DATE	OUTCOME
Executive Management Board	21/5/21	NOTED

1. SITUATION/BACKGROUND

The Partnership Boards have been created to:

- Develop shared strategic vision and plans with key partners
- Develop relationship

- Improve cancer and blood/transplant services with each of our University Health Board partners and across the region and Wales
- Make a tangible difference on the ground

There will be three Partnership Boards with Cardiff and Vale University Health Board, Cwm Taf Morgannwg University Health Board and Aneurin Bevan University Health Board.

2. ASSESSMENT / SUMMARY OF MATTERS FOR CONSIDERATION

This paper to ask the Board to note the attached Memorandum of Understanding with Cardiff and Vale University Health Board which will then be signed by both Chief Executives.

The governance approach for the other Partnership Board is still to be agreed with those organisations and the Board will be updated in due course.

3. IMPACT ASSESSMENT

QUALITY AND SAFETY IMPLICATIONS/IMPACT	Yes (Please see detail below)
RELATED HEALTHCARE STANDARD	Governance, Leadership and Accountability If more than one Healthcare Standard applies please list below:
EQUALITY IMPACT ASSESSMENT COMPLETED	Not required
LEGAL IMPLICATIONS / IMPACT	There are no specific legal implications related to the activity outlined in this report. Related to Quality legislation
FINANCIAL IMPLICATIONS / IMPACT	There is no direct impact on resources as a result of the activity outlined in this report.

4. RECOMMENDATION

The Trust Board are asked to **NOTE** the Memorandum of Association to support the Cardiff and Vale University Health Board.

DATED

MEMORANDUM OF UNDERSTANDING

between

VELINDRE UNIVERSITY NHS TRUST

And

CARDIFF AND VALE UNIVERSITY HEALTH BOARD

THIS AGREEMENT is dated

PARTIES

- (1) **Velindre University NHS Trust** of Unit 2, Charwood Court, Parc Nantgarw, Cardiff, CF15 7QZ (**VUNHST**).
- (2) **Cardiff and Vale University Health Board** of Woodland House, Maes y Coed Road, Llanishen, Cardiff, CF14 4TT (**CVUHB**).

1. BACKGROUND

- 1.1 VUNHST and CVUHB have agreed to work together to provide a forum for the two organisations to develop a shared view about how to deliver world class cancer, blood and transplant services and research, development and innovation models for the Cardiff and Vale region. It will then provide a mechanism to support the effective coordination between the two organisations to deliver on this ambition.
- 1.2 In relation to Cancer Services joint working between the two organisations will be in the context of the regional development of a –South East Wales Cancer Strategy and aligned to the system leadership provided by the Collaborative Cancer Leadership Group (**CCLG**).
- 1.3 In relation to blood and transplant services the joint working will be in the context of the Blood Health Plan.
- 1.4 The parties wish to record the basis on which they will collaborate with each other on the jointly agreed work programme. This Memorandum of Understanding (**MoU**) sets out:
 - (a) the key objectives of the Joint Work Programme;
 - (b) the principles of collaboration;
 - (c) the governance structures the parties will put in place; and
 - (d) the respective roles and responsibilities the parties will have during the Project.

2. KEY OBJECTIVES FOR THE JOINT WORK PROGRAMME

- 2.1 The parties shall undertake the Joint Work Programme to achieve the key objectives set out in Annex A to this MoU (**Key Objectives**).

3. PRINCIPLES OF COLLABORATION

The parties agree to adopt the following principles when carrying out the Joint Work Programme (**Principles**):

- 3.1 **collaborate and co-operate.** Establish and adhere to the governance structure set out in this MoU to ensure that activities are delivered and actions taken as required;
- 3.2 **be accountable.** Take on, manage and account to each other for performance of the respective roles and responsibilities set out in this MoU;
- 3.3 **be open.** Communicate openly about major concerns, issues or opportunities relating to the joint work programme;
- 3.4 **learn, develop and seek to achieve full potential.** Share information, experience, materials and skills to learn from each other and develop effective working practices, work collaboratively to identify solutions, eliminate duplication of effort, mitigate risk and reduce cost;
- 3.5 **manage stakeholders effectively.** Within our organisations, with our regional partners and with our patients, donors, partners and communities;
- 3.6 **deploy appropriate resources.** Ensure sufficient and appropriately qualified resources are available and authorised to fulfil the responsibilities set out in the MoU and agreed in the Joint Work Programme; and
- 3.7 **act in good faith** to support achievement of the Key Objectives and compliance with these Principles.

4. **PROJECT GOVERNANCE**

4.1 **Overview**

The governance structure defined below provides a structure for the development and delivery of the Joint Work Programme.

4.2 **Guiding principles**

The following guiding principles are agreed. The Project's governance will:

- (a) provide strategic oversight and direction;
- (b) be based on clearly defined roles and responsibilities at organisation, group and, where necessary, individual level;
- (c) align decision-making authority with the criticality of the decisions required;
- (f) be aligned with scope of the Joint Work Programme (and may therefore require changes over time);
- (g) leverage existing organisational, group and user interfaces;
- (h) provide coherent, timely and efficient decision-making; and

- (g) correspond with the key features of the Project governance arrangements set out in this MoU.

4.3 **Partnership Meeting between VUNHST and CVUHB**

- (a) The **Partnership Meeting** provides overall strategic oversight and direction to the Joint Work Programme. This forum will consist of:

VUNHST: Chief Executive Officer; Chief Operating Officer; Executive Medical Director; Clinical Director; Director of Strategic Transformation, Planning and Digital; Executive Director of Nursing, AHPs and Health Science; Director Corporate Governance & Chief of Staff.

CVUHB: Chief Executive Officer, Chief Operating Officer, Executive Medical Director, Executive Director of Strategic Planning; Executive Nurse Director; Cancer Lead and Assistant Medical Director

- (b) The Partnership Board shall be managed in accordance with the Terms of Reference set out in **Error! Reference source not found.** to this MoU.
- (c) The Partnership Board will provide strategic management and assurance to SBUHB and CVUHB that the Key Objectives are being met and that the Joint Work Programme is performing within the boundaries set by the Partnership Board.
- (d) The Partnership Board shall have responsibility for the creation and execution of the Joint Work Programme and deliverables, and therefore it can draw wider partner input, as well as technical, commercial, legal and communications resources as appropriate into the Partnership Board.

4.4 **Reporting**

- (a) The forum would be working on behalf of both organisations and would report into each via appropriate committees and operational groups on a regular basis.
- (b) The outputs from the forum will inform regional discussions both with other regional partner University Health Boards and also collectively through wider regional and national governance arrangements.

5. **ESCALATION**

- 5.1 If either party has any issues, concerns or complaints about the Joint Work Programme, or any matter in this MoU, that party shall notify the other party and the parties shall then seek to resolve the issue by a process of consultation. If the issue cannot be resolved within a reasonable period of time, the matter shall be escalated to the Partnership Board, which shall decide on the appropriate course of action to take.

- 5.2 If either party receives any formal inquiry, complaint, claim or threat of action from a third party (including, but not limited to, claims made by a supplier or requests for information made under the Freedom of Information Act 2000) in relation to the Joint Work Programme, the matter shall be promptly referred to the Partnership Board (or its nominated representatives). No action shall be taken in response to any such inquiry, complaint, claim or action, to the extent that such response would adversely affect the Joint Work Programme, without the prior approval of the Partnership Board (or its nominated representatives).

6. INTELLECTUAL PROPERTY

- 6.1 The parties intend that any intellectual property rights created in the course of the Joint Work Programme shall vest in the party whose employee created them, or in the case of any intellectual property rights created jointly by employees of both parties the rights shall be held jointly.
- 6.2 Where any intellectual property right vests in either party in accordance with the intention set out in clause 6.1 above, that party shall grant an irrevocable licence to the other party to use that intellectual property for the purposes of the Joint Work Programme.

7. TERM AND TERMINATION

- 7.1 This MoU shall commence on the date of signature by both parties, and shall expire on receipt of not less than three months' notice in writing from either party.

8. VARIATION

This MoU, including the Annexes, may only be varied by written agreement of the Partnership Board.

9. CHARGES AND LIABILITIES

- 9.1 Except as otherwise provided, the parties shall each bear their own costs and expenses incurred in complying with their obligations under this MoU.
- 9.2 Both parties shall remain liable for any losses or liabilities incurred due to their own or their employee's actions and neither party intends that the other party shall be liable for any loss it suffers as a result of this MoU.

10. STATUS

- 10.1 This MoU is not intended to be legally binding, and no legal obligations or legal rights shall arise between the parties from this MoU. The parties enter into the MoU intending to honour all their obligations.

- 10.2 Nothing in this MoU is intended to, or shall be deemed to, establish any partnership or joint venture between the parties, constitute either party as the agent of the other party, nor authorise either of the parties to make or enter into any commitments for or on behalf of the other party.

11. GOVERNING LAW AND JURISDICTION

This MoU shall be governed by and construed in accordance with English law and, without affecting the escalation procedure set out in clause 5, each party agrees to submit to the exclusive jurisdiction of the courts of England and Wales.

Signed for and on behalf of **VELINDRE
UNIVERSITY NHS TRUST**

Signature:
Name:
Position:
Date:

Signed for and on behalf of **CARDIFF
AND VALE UNIVESITY HEALTH
BOARD**

Signature:
Name:
Position:
Date:

Annex A: Joint Work Programme Objectives

To continue to be jointly worked up and included following approval in the July Partnership Board.

Annex B: Partnership Meeting between Velindre University NHS Trust and Cardiff and Vale University Health Board

Terms of Reference

1. Purpose

VUNHST and CVUHB have agreed to work together to provide a forum for the two organisations to develop a shared view about how to deliver world class cancer, blood and transplant services and research, development and innovation models for the Cardiff and Vale region. It will then provide a mechanism to support the effective coordination between the two organisations to deliver on this ambition.

2. Scope

A Joint Work Programme is to be agreed which will then form **Annex A** to the MoU.

3. Membership

VUNHST: Chief Executive Officer; Chief Operating Officer; Executive Medical Director; Clinical Director; Director of Strategic Transformation, Planning and Digital; Executive Director of Nursing, AHPs and Health Science; Director Corporate Governance & Chief of Staff.

CVUHB: Chief Executive Officer, Chief Operating Officer, Executive Medical Director, Executive Director of Strategic Planning; Executive Nurse Director; Cancer Lead and Assistant Medical Director.

It is expected that Cardiff University will also attend on a regular basis and the approach to how this will best operate will be discussed in tripartite meeting in June Partnership Board.

4. Decision Making

The Partnership meeting does not have a delegated authority from the two organisations for decision making. Instead, it is a mechanism by which to inform and support the decision making authority through the existing governance structures of each organisation and/ or at an existing delegated authority levels for the individuals involved.

5. Reporting Arrangements

The forum would be working on behalf of both organisations and would report into each via appropriate committees and operational groups on a regular basis.

The outputs from the forum will inform regional discussions both with other regional partner University Health Boards and also collectively through wider regional and national governance arrangements.

6. Meeting Arrangements

The Partnership will meet monthly for the first six months with a view to changing to bi-monthly thereafter.

Venues will be alternated between the two organisations, with the host organisation chairing.

The secretariat function will be provided by Velindre University NHS Trust for the first set of meetings and arrangements can be changed as agreed thereafter.

WELSH HEALTH SPECIALISED SERVICES COMMITTEE JOINT COMMITTEE MEETING – MAY 2021

The Welsh Health Specialised Services Committee held its latest public meeting on 11 May 2021. This briefing sets out the key areas of consideration and aims to ensure everyone is kept up to date with what is happening in Welsh Health Specialised Services.

The papers for the meeting are available at:

<https://whssc.nhs.wales/joint-committee/committee-meetings-and-papers/2021-2022-meeting-papers/>

Minutes of Previous Meetings

The minutes of the meeting of 9 March 2021 were taken as read and approved.

Action log & matters arising

Members noted there were no outstanding actions or matters arising.

Chair's Report

The Chair's Report referred members to the forthcoming early retirement of Kevin Smith, Committee Secretary, on 31 May, and his return part time for around five weeks from 7 June, and the appointment of his successor, Jacqueline Evans, from 1 June 2021.

The Report also referred members to the Chair's Actions taken to approve the appointment of Professor Ian Wells as an Independent Member of the Joint Committee with effect from 1 May 2021 for an initial term of two years.

In addition, the Chair reported that Emrys Elias had tendered his resignation with effect from 31 May 2021 and that a nomination had been received for a successor, whose appointment would be dealt with later in the week by Chair's Action.

Members (1) noted the contents of the report; (2) ratified the appointment of Jacqueline Evans as Committee Secretary with effect from 1 June 2021; and (3) ratify the Chair's Action appointing Prof Ian Wells.

Managing Director's Report

The Managing Director's report, including updates on:

- Opening of the interim Mother & Baby Unit at Tonna Hospital;
 - The south Wales Thoracic Surgery Strategic Outline Case (SOC);
 - The PET Programme Business Case;
 - The status of the audit of the 2020-21 Accounts;
 - De-escalation the SBUHB TAVI service from level 3 to level 2;
 - Removal of the CVUHB Paediatric Intensive Care service from escalation; and
 - Removal of the SBUHB Soft Tissue Sarcoma service from escalation,
- was taken as read.

It was agreed that SBUHB would circulate the Thoracic Surgery SOC to members.

South Wales Major Trauma Network (SWMTN) Update

Members received a presentation on the work of the SWTN from its opening in September 2020 to March 2021, which included a summary of the Delivery Assurance Group report. Members noted the content of the presentation and discussed elements of it in detail.

A further update will be provided to the Joint Committee meeting in six months' time.

Neonatal Transport Service for South and Mid Wales

Members received a paper that proposed a project structure and governance assurance framework as requested following Joint Committee's decision regarding the establishment of an Operational Delivery Network Transport Service for mid, west and south Wales in April 2021. It was noted that the proposed structure borrowed many features from the SWMTN model, which was regarded as exemplary.

Members noted (1) the proposed project management process and associated timeline; and (2) the draft commissioner assurance process, recognising that this would be subject to further discussion in the 'In Committee' section of the meeting and with the programme team.

Revised Risk Management Strategy

Members received a paper that presented the revised Risk Management Strategy (RMS) for WHSSC for approval and shared the latest version of the Corporate Risk Register for information.

Members (1) approved the revised Risk Management Strategy; (2) noted the latest version of the Corporate Risk Register; and (3) noted that further work is on-going to develop risk reporting in line with the RMS.

Activity Reports for Months 11 and 12 2020-21

Members received papers that highlighted the scale of the decrease in activity levels during the COVID-19 period, and whether there are any signs of recovery in specialised services activity. These activity decreases are shown in the context of the potential risk re patient harms and of the loss of value from nationally agreed financial block contract arrangements.

The Month 12 report been restructured from previous format to deal with specialties/areas on an all-Wales basis and would be developed further based on feedback received.

Members noted the information presented in the reports.

Financial Performance Report – Month 12 2020-21

Members received a paper the purpose of which was to provide the final outturn for the financial year. The financial position at was an under spend of £12.03m after making prudent provisions.

The under spend relates mainly to months 1-12 under spend on the pass through elements of NHS Wales provider SLA's, NHS England anticipated underperformance against agreed block contracts where provider activity is forecast at >20% below agreed baseline and Q1 – Q4 2020-21 development slippage. Owing to uncertainty regarding the pace of activity, recovery and timing of information flows from NHS England providers, WHSSC has adopted a prudent approach to providing for expenditure reductions that may arise from under-performance.

Members noted the content of the report.

Other reports

Members also took as read the update reports from the following joint Sub-committees and Advisory Groups:

- Management Group;
- All Wales Individual Patient Funding Request Panel;
- Quality & Patient Safety Committee; and
- Integrated Governance Committee

Standing Orders (SOs) and Standing Financial Instructions (SFIs)

The Committee Secretary reported that revised Model SOs and SFIs had recently been received from Welsh Government and that work was underway to review the WHSSC SOs and SFIs to propose any necessary changes. It was agreed that these would be the subject of a Chair's Action.



TRUST BOARD

QUALITY & SAFETY GOVERNANCE ARRANGEMENTS FOR NHS WALES SHARED SERVICES PARTNERSHIP COMMITTEE

DATE OF MEETING	8/6/2021	
PUBLIC OR PRIVATE REPORT	Public	
IF PRIVATE PLEASE INDICATE REASON	Not Applicable - Public Report	
PREPARED BY	MALCOLM LEWIS, MEDICAL DIRECTOR NWSSP & LAUREN FEAR, DIRECTOR CORPORATE GOVERNANCE	
PRESENTED BY	LAUREN FEAR, DIRECTOR CORPORATE GOVERNANCE	
EXECUTIVE SPONSOR APPROVED	LAUREN FEAR, DIRECTOR CORPORATE GOVERNANCE	
REPORT PURPOSE	FOR APPROVAL	
COMMITTEE/GROUP WHO HAVE RECEIVED OR CONSIDERED THIS PAPER PRIOR TO THIS MEETING		
COMMITTEE OR GROUP	DATE	OUTCOME
ACRONYMS		
NWSSP	NHS Wales Shared Services Partnership	

1. SITUATION/BACKGROUND

- 1.1 The Shared Services Partnership Committee has previously considered arrangements for quality and safety governance.
- 1.2 The proposal which has previously been approved by the Shared Services Partnership Committee involved the establishment of a new sub-committee of the Partnership Committee for quality and safety, with the chair and membership from the Trust Board (in line with the approved Standing Orders for NWSSP and the hosting arrangements with Velindre University NHS Trust).
- 1.3 There has been engagement since on the most appropriate arrangements going forwards, which included the culture and approach adopted by the Velindre Board in the updated Committee framework and the creation of the Quality, Safety and Performance Committee.
- 1.4 There has also been consideration of the approaches with other hosted organisations to support in considering different models and what may work best to fulfill the purpose agreed by the Shared Services Partnership Committee – to “advise and assure the Shared Services Partnership Committee and Accountable Officer on whether effective arrangements are in place for quality and safety” (in line with the approved NWSSP Standing Orders).
- 1.5 This is coupled with ensuring that Velindre University NHS Trust Board, as the host organisation and statutory body, also having appropriate assurance to fulfill its accountabilities in this respect.

2. ASSESSMENT / SUMMARY OF MATTERS FOR CONSIDERATION

- 2.1 The recommended approach is that there is an additional section added to the start of the Trust Quality, Safety & Performance Committee to cover NWSSP quality and safety business. If this approach is supported a revised Terms of Reference including purpose and membership will then be agreed to take into account this separate section / part of the Committee. It is envisaged that this approach is sufficient for the volume of business at this time, although this would be kept under review as the NWSSP business model continues to develop.
- 2.2 In line with the arrangements for the Velindre Audit Committee for NWSSP a separate highlight report would be produced for this section of the Committee and this would then

be shared with the Shared Services Partnership Committee and to the Trust Board to provide assurance.

- 2.3 This approach was endorsed by the Quality, Safety and Performance Committee in May and also noted at the Shared Service Partnership Committee in May.
- 2.4 Trust Board is therefore asked for it's approval of this proposed change to the Quality, Safety and Performance Committee to have a new section to deal with NWSSP business going forwards. As with any changes to Committee Terms of Reference, given they form part of the Trust's Standing Orders, the detail of the changes in the Terms of Reference will then be brought to Trust Board for approval following endorsement at the next Quality, Safety and Performance Committee.

3. IMPACT ASSESSMENT

QUALITY AND SAFETY IMPLICATIONS/IMPACT	There are no specific quality and safety implications related to the activity outlined in this report.
RELATED HEALTHCARE STANDARD	Governance, Leadership and Accountability If more than one Healthcare Standard applies please list below:
EQUALITY IMPACT ASSESSMENT COMPLETED	Not required .
LEGALIMPLICATIONS / IMPACT	There are no specific legal implications related to the activity outlined in this report.
FINANCIAL IMPLICATIONS / IMPACT	There is no direct impact on resources as a result of the activity outlined in this report.

4. RECOMMENDATION

- 4.1 The Trust Board is asked to **APPROVE** the proposed additional role of the Committee in relation to the assurance of quality and safety of NWSSP business.

TRUST BOARD

FINANCE REPORT FOR THE PERIOD ENDED 31 MARCH 2021 (M12)

DATE OF MEETING	08/06/21
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PUBLIC OR PRIVATE REPORT	Public
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IF PRIVATE PLEASE INDICATE REASON	Not Applicable - Public Report
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PREPARED BY	Matthew Bunce – Deputy Director of Finance
PRESENTED BY	Mark Osland, Executive Director of Finance & Informatics
EXECUTIVE SPONSOR APPROVED	Mark Osland, Executive Director of Finance & Informatics

REPORT PURPOSE	FOR NOTING
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COMMITTEE/GROUP WHO HAVE RECEIVED OR CONSIDERED THIS PAPER PRIOR TO THIS MEETING		
COMMITTEE OR GROUP	DATE	OUTCOME
Quality, Safety & Performance Committee	13/05/21	FOR NOTING

ACRONYMS	

1. SITUATION/BACKGROUND

- 1.1 The attached report outlines the financial position and performance for the year ending 31 March 2021.

2. ASSESSMENT / SUMMARY OF MATTERS FOR CONSIDERATION

2.1 Performance against Key Financial Targets:

KPI Target	Unit	Current Month £000	Year End Actual £000
Revenue (To ensure net operating costs do not exceed income)	Variance	10	16
Capital (To ensure that costs do not exceed the Capital Expenditure limit)	Actual Spend	4,186	10,015
Public Sector Payment Performance (Administrative Target – To pay 95% of non NHS invoices within 30 days measured against number of invoices paid).	%	94.7%	96.8%

2.2 Revenue Budget

The overall final reported position against the revenue budget for 2020-21 was an underspend of £16k.

Within the detailed report the breakeven position is further analysed between income, pay and non pay and shows an expected underachievement against income, largely as a result of the impact of Covid, which is offset by an underspend on Pay.

A large element of the underachievement on planned income relates to WBS WTAIL and Blood Components & RD&I due to the impact of Covid. The other main area is staff costs which are not being recharged to other organizations' due to vacancies, which will be directly offset by underspend on pay.

In terms of the underspend on Pay, the Trust carried a large number of vacancies throughout 2020-21, which reduced over the course of the year, but still resulted in a large

underspend. Staff costs were also re-directed and supported by WG Covid funding which produced a further underspend against pay.

2.3 Savings

Savings and income targets have been affected by Covid and have been identified separately and covered by additional Covid funding from WG. Further details of the savings position is shown within *section 5 on page 10* of the detailed report.

At the beginning of the financial year, the Trust agreed as part of the IMTP submission that a balanced position will be carried into the next financial year. Covid has had a significant impact on delivery (£700k - 50% under-achieved) against the recurrent savings target this year, although the position has been supported by non recurrent funding from WG as part of its overall Covid support. Consequently the £700k underachievement against the 2020-21 savings target will be carried forward into 2021-22 as an underlying deficit.

This position has been discussed with WG and is not dissimilar to the position presented by other NHS organisations. This underlying deficit will again form part of our Covid funding request alongside the other projected Covid related costs for 2021-22.

2.4 Covid Expenditure

Covid-19 Revenue Spend	
Expenditure Type	Full Year
	Actual (£'000)
Pay	3,984
Non Pay	2,232
Non Delivery of Savings Plans	700
Reduction of non pay costs due to reduced elective activity	(625)
Total	6,291

All Covid related expenditure was fully funded by WG during 2020-21.

The total expenditure on services directly related to Covid during 2020-21 was £6,291k. This incorporates actual gross expenditure of £6,216k, plus non delivery of savings of £700k, offset by a reduction in activity related costs of £(625)k.

Mass Vaccinations

The Trust spend £203k on the Mass Covid Vaccinations during 2020/21, which is included within the above Covid spend table. The £203k revenue spend requirement for 2020/21 included the costs associated with the WBS storage and distribution for NHS Wales, delivery of vaccinations to front line staff in both Velindre and WAST, and the rollout of the Patient Vaccination programme.

2.5 Capital

Capital 2020/21 Financial Position			
£5,000 Underspent			
Type	Approved CEL £000s	Full Year Actual Spend £000s	Year End Variance £000s
All Wales Capital Programme	3,295	3,306	(11)
TCS	3,031	2,784	247
Covid-19	1,845	1,768	77
Discretionary Capital	1,850	2,157	(308)
Total	10,021	10,015	5

The Trust reported a total spend of £10,015k against the CEL of £10,020k, representing a £5k underspend for the Capital programme during 2020/21.

All Wales Programme

Expenditure against 8 separate All Wales Programme budgets outturned at a small overspend of £11k. This was a good achievement considering the complexities of some of the projects.

TCS

The TCS programme delivered an underspend of £247k which was highlighted earlier in the year and primarily reflected an allocation of £200k to support costs associated with pursuing the planning application Reserved Matters which was not required.

Covid-19

The final Capital Expenditure Limit agreed for Covid expenditure was £1.845m. Expenditure of £1,768k included £320k for Convalescent Plasma, £92k for Digital Devices, £946k for other related Covid expenditure such as Medical and IT equipment, Gas Supply resilience, and certain social distancing measures.

Discretionary Programme

As agreed with WG the underspends generated through the All Wales programmes were utilized to provide additional expenditure within our discretionary programme, which reported an overspend of £308k.

3. IMPACT ASSESSMENT

QUALITY AND SAFETY IMPLICATIONS/IMPACT	There are no specific quality and safety implications related to the activity outlined in this report.
RELATED HEALTHCARE STANDARD	Governance, Leadership and Accountability
	If more than one Healthcare Standard applies please list below:
EQUALITY IMPACT ASSESSMENT COMPLETED	Not required
LEGAL IMPLICATIONS / IMPACT	There are no specific legal implications related to the activity outlined in this report.
FINANCIAL IMPLICATIONS / IMPACT	Yes (Include further detail below)
	The Trust financial position at the end of March 2021 is detailed in the attached report.

4. RECOMMENDATION

4.1 The Trust Board is asked to **NOTE** the contents of the final 2020-21 financial report.

FINANCIAL PERFORMANCE REPORT

FOR THE PERIOD ENDED MARCH 2020/21

**QUALITY, SAFETY & PERFORMANCE COMMITTEE
MEETING
13/05/2021**

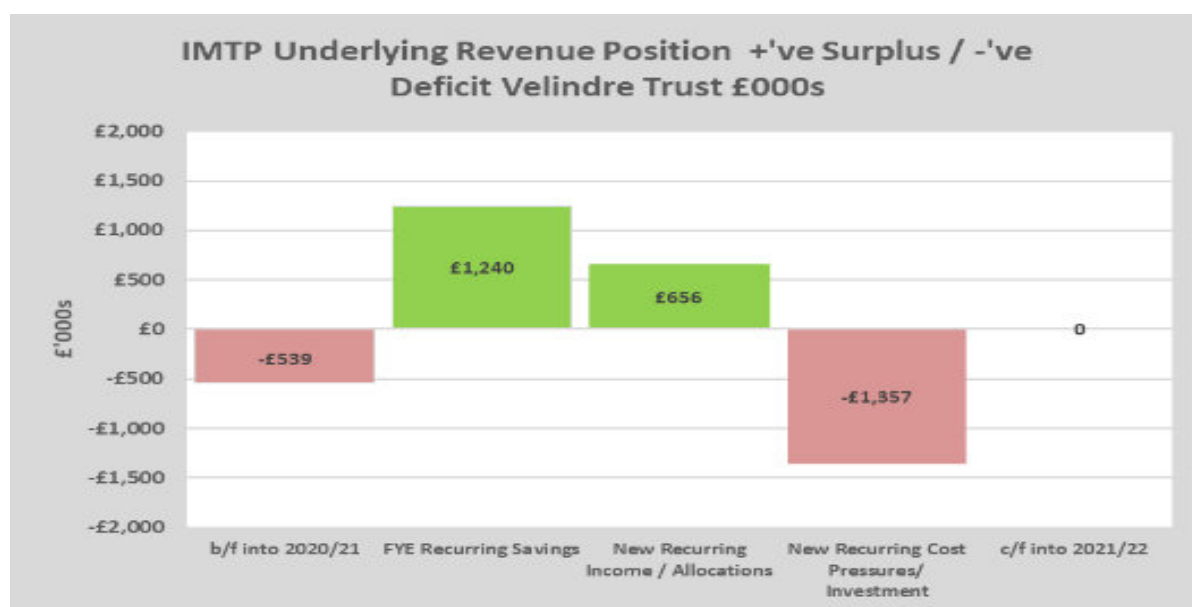
1. Introduction

The purpose of this report is to outline the financial position and performance for the year to date, performance against financial savings targets and highlight the financial risks and forecast for the financial year, outlining the actions required to deliver the IMTP Financial Plan for 2020-21.

2. Background / Context

The Trust Financial Plan for 2020-21 was set within the following context.

- The Trust submitted a balanced Integrated Medium Term Plan (IMTP), covering the period 2020-21 to 2022-23 to the Welsh Government on 31 January 2020. The IMTP was submitted on the basis of delivering financial balance for each of the three years.
- For 2020-21 the IMTP included;
 - an underlying **deficit of £539k brought forward from 2019-20**
 - **new cost pressures/ Investment** in 20-21 of **£1,517k** (Recurring FYE effect £1,357k),
 - offset by **new recurring Income allocation of £656k**,
 - and **savings schemes** of **£1,400k**, (£1,240k FYE recurring), which can be further split between savings schemes £1,000k (£940k FYE recurring), and income generating schemes of £400k (£300k: FYE recurring).
- The Trust is expecting to fully eliminate the underlying deficit in line with the approved IMTP, partly through the utilisation of growth funding, and partly through internal savings in order to take a balanced position into 2021-22. **However, in order achieve a balanced carry forward position the savings target set for 2020-21 must be achieved.**



Underlying Position + Deficit / (-Surplus) £000s	b/f into 2020/21	Recurring Savings	New Recurring Income / Allocations	FYE New Cost Pressures / Investment	c/f into 2021/22
Velindre NHS Trust	-539	1240	656	-1357	-

3. Executive Summary

Summary of Performance against Key Financial Targets (Excluding Hosted Organisations)

(Figures in parenthesis signify an adverse variance against plan)

Table 1 - Key Targets

KPI Target	Unit	Current Month £000	Year End Actual £000
Revenue (To ensure net operating costs do not exceed income)	Variance	10	16
Capital (To ensure that costs do not exceed the Capital Expenditure limit)	Actual Spend	4,186	10,015
Public Sector Payment Performance (Administrative Target – To pay 95% of non NHS invoices within 30 days measured against number of invoices paid).	%	94.7%	96.8%

Performance against Planned Savings

Efficiency Savings /	Variance	0	0
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The Trust received full funding from WG for all costs that were associated with Covid during 2020-21. This included the actual expenditure incurred, any loss of income or savings that have been directly impacted by the pandemic.

Revenue

The Trust has reported a **£10k** in-month underspend for March '21, with a cumulative final reported position of **£16k** underspent for 2020-21.

Capital

The Trust reported a total spend of £10,015k against the CEL of £10,020k, representing a **£5k** underspend for the Capital programme during 2020/21.

PSPP (Excluding Hosted Organisations)

The Trust (core) achieved a compliance level of **96.8%** of Non-NHS supplier invoices paid within the 30-day target for 2020/21, compared to the target of 95%.

Efficiency/ Savings

The Trust underachieved by **£(700)k** against the savings plans which is a direct result of Covid and was fully funded by WG in 2020-21.

4. Revenue Position

2020/21 Financial Position			
£16,297 Underspent			
Type	Full Year Budget (£'000)	Full Year Actual (£'000)	Full Year Variance (£'000)
Income	(153,565)	(152,488)	(1,077)
Pay	72,407	71,291	1,116
Non Pay	81,157	81,180	(23)
Total	0	(16)	16

The overall final reported position against the profiled revenue budget for 2020-21 was an underspend of **£16k**. An underachievement against income largely as result of the impact from Covid was offset by an underspend Pay. This is further analysed in the tables below:

4.1 Income Analysis

Income Type	Year End Actual		
	£(1,077)k underachievement		
	Full Year Budget (£'000)	Full Year Actual (£'000)	Full Year Variance (£'000)
Core Income - HB / WHSSC	70,227	70,225	(2)
Nice/ High Cost Drugs	37,292	37,331	40
WBS Wholesale Blood Products	12,019	12,029	10
WBS WTAIL	3,189	2,607	(581)
WBS Blood Components	385	173	(212)
Home Care Drugs	587	983	396
Private Patient	1,767	1,850	82
VCC Over Activity	1,534	1,582	48
Radiation Protection	800	808	8
Staff Recharges	2,033	1,688	(345)
One Wales Palliative and EOL Care	2,285	2,285	0
Velindre Charity	2,372	2,070	(302)
Other Charity	1,032	931	(102)
RD&I*	4,051	3,823	(228)
HTW	955	955	0
Other Operating Income	6,746	6,858	112
WG Covid Income*	6,291	6,291	0
Total	153,565	152,488	(1,077)

*RD&I full year budget includes £917k of Velindre Charity income.

*The total Covid income draw down from WG was £15,591k, however £9,300k related to pass through costs, which were netted off in the accounts reducing the WG Covid income to £6,291k for 2020-21.

The Trust has reported a year end underachievement of **£(1,077)k** on Income, which in large is related to the impact of Covid and underactivity on performance.

- Welsh Transplantation and Immunogenetics Laboratory (WTAI), and WBS Blood Components underperformed against target by of circa £(793)k due to underactivity as a result of Covid. WG Covid funding was received to replenish this loss of income.
- Home Care Drugs overachievement is due to the increased homecare service of Oral drugs provided in relation to SACT since the beginning of the year.
- Private Patient's overachievement relates to drug recharges to Insurance companies.
- Staff recharges underachievement of £(345)k is a result of vacancies which are not being recharged to other organisations to recoup the income, and is offset by an underspend in pay.
- Due to the impact of Covid, staff were redirected from services related to the Charity to support the pandemic; consequently, a reduced recharge to the Charity was made during 2020-21.
- RD&I £228k under recovery is where the division did not require and therefore draw down on the planned Astra Zeneca money from the Charity during 2020-21.
- The Trust received WG funding for Covid of £6,291k (excl. the Hospices income), which fully supported all Covid related expenditure, including the impact from the loss of both income generation and savings.

4.2 Pay Analysis by Staff Group

STAFF GROUP	Year End Forecast		
	£1,116k Underspend		
	Full Year	Full Year	Forecast
	Budget (£'000)	Actual (£'000)	Variance (£'000)
ADD PROF SCIENTIFIC AND TECHNICAL	2,328	2,285	42
ADDITIONAL CLINICAL SERVICES	6,748	6,299	450
ADMINISTRATIVE & CLERICAL	21,453	21,054	399
ALLIED HEALTH PROFESSIONALS	6,143	6,437	(295)
ESTATES AND ANCILLIARY	2,412	2,352	60
HEALTHCARE SCIENTISTS	8,165	7,664	502
MEDICAL AND DENTAL	11,714	11,662	51
NURSING	9,793	8,948	845
STUDENTS	60	62	(2)
SAVINGS & VACANCY FACTOR TARGET*	(880)	56	(936)
6.3% ADDITIONAL PENSION	2,973	2,973	0
NHS BONUS PAYMENT	1,498	1,498	0
Total	72,407	71,291	1,116

The Trust has reported a year end underspend of **£1,116k** on Pay for 2020-21.

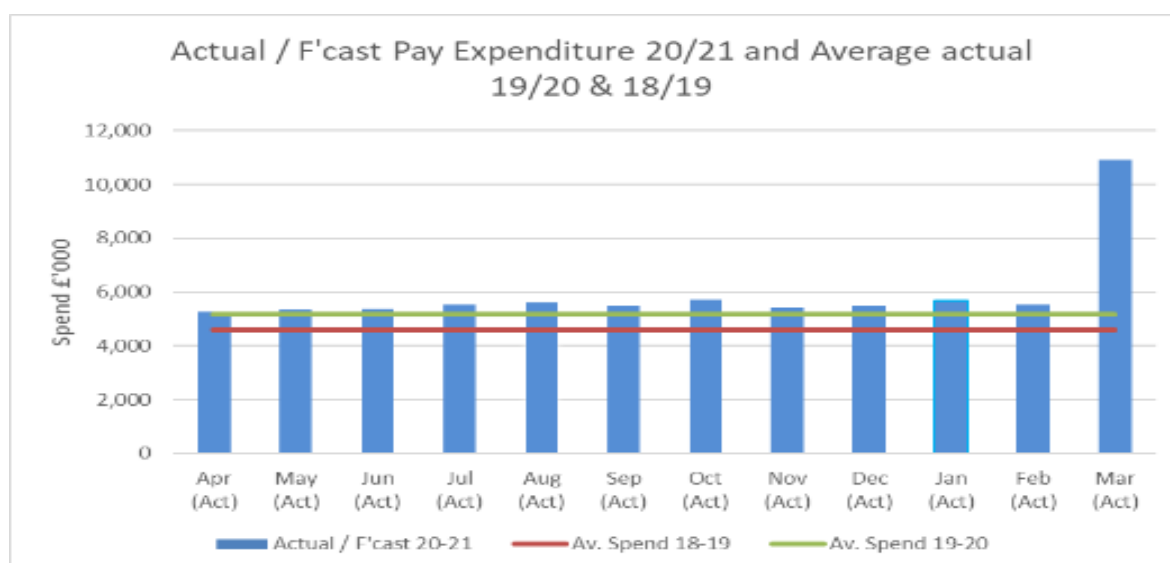
Included within the various staff group expenditure values shown within the above table, the total Agency spend for March was £167k (February £187k), giving a total spend for the year of **£2,495k**. Included within these totals the total spend on agency directly related to Covid was £508k.

- The Trust carried a large number of vacancies throughout 2020-21, which reduced over the course of the year, but still resulted in a large underspend. Current vacancies against underspending staff groups are: Healthcare Scientists (3.77 wte), and Nursing (7.53 wte).
- Staff costs were also re-directed and supported by WG Covid funding which produced a further underspend against pay.
- Allied Health Professionals experienced an over spend of £(295)k which was due to the use of agency in Radiotherapy and Medical Physics to cover staff vacancies that the Trust has been unable to recruit to permanently, and also staff who have been off sick, or self-isolating due to Covid.
- Due to the impact of Covid, the Trust has been unable to enact service redesign to generate planned staffing efficiencies, which resulted in an underachievement of £350k against staff savings during the year. The loss of savings was funded by WG. The remaining underachievement against the savings and vacancy factor targets within the divisions is being achieved through underspends across numerous staffing groups, as illustrated in the above table.
- The Trust was required to Transact both the 6.3% additional Employer pension contribution (14.3% to 20.6%), and the NHS bonus payment which will be received by staff in May 21.

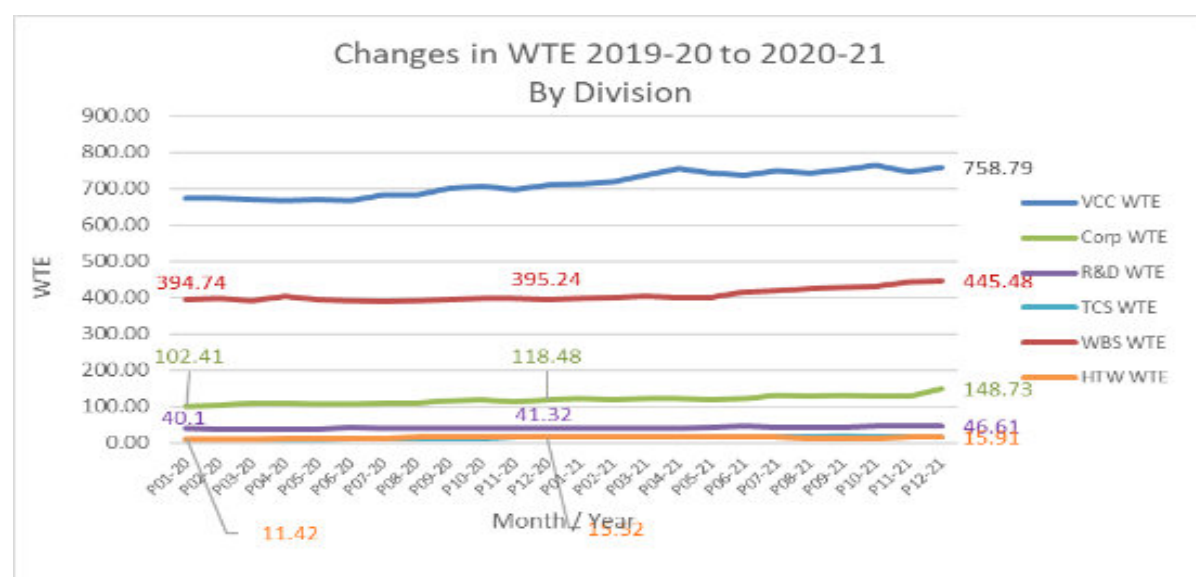
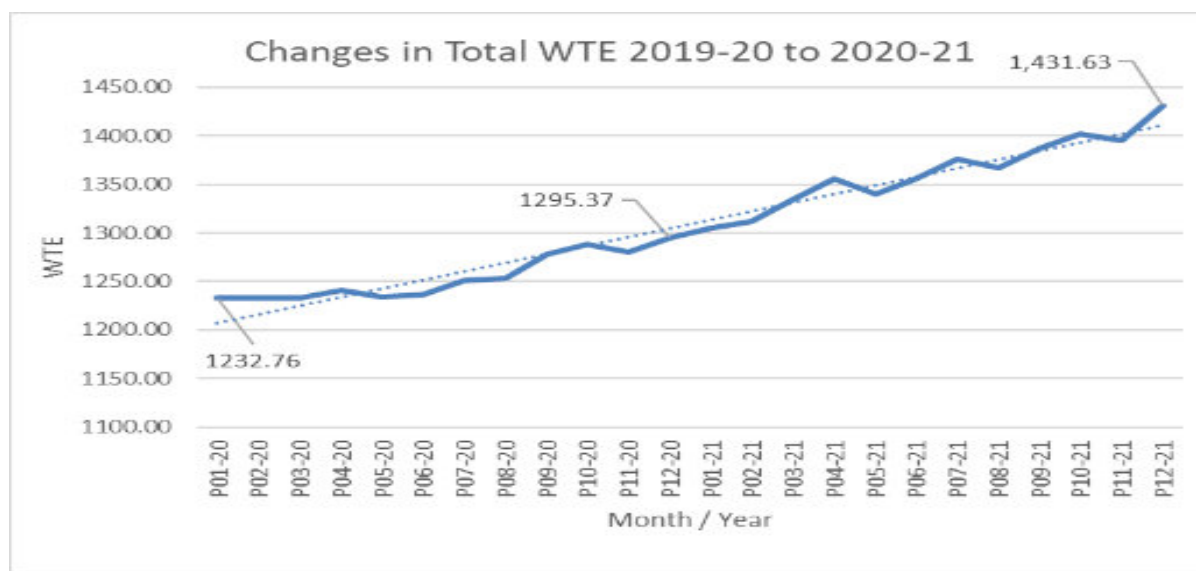
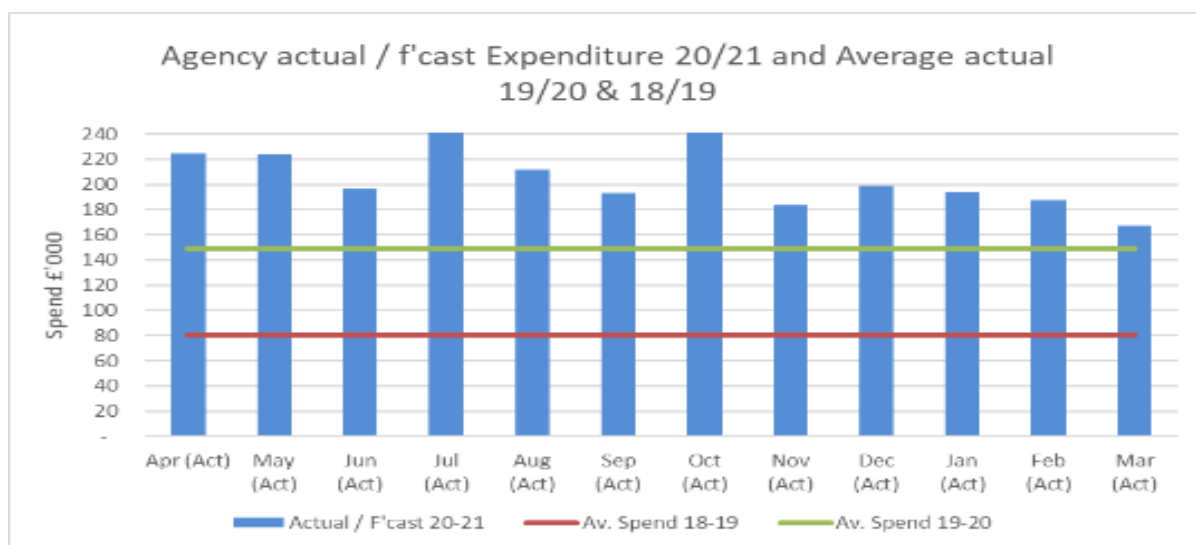
Pay Spend Trends (Run Rate)

The pay spend for 19-20 was 12% above av. pay 18-19. 3% can be attributed to the pay award. 1.3% (£822k in total) relates to an increase in use of agency staff, and 6.3% the Increase in pension award, which was accounted for in month 12. The remaining difference is a result of the additional staff recruited since the end of March'19 (c. 63 wte).

The pay spend for 20-21 was 14.82% above av. pay in 2019-20. 3% can be accounted for by the pay award, 1.14% (707k in total) can be accounted for by an increase in use of agency, and 2.41% for the NHS bonus payment. The remaining being the additional staff recruited over the latter part of 19/20, and since the beginning of 2020/21 (c. 136 wte), which includes the pay costs associated with Covid.



*March pay costs include the Additional 6.3 pension contribution of £2.973m, and the NHS Bonus payment of £1.498m (to be received in May 2021).



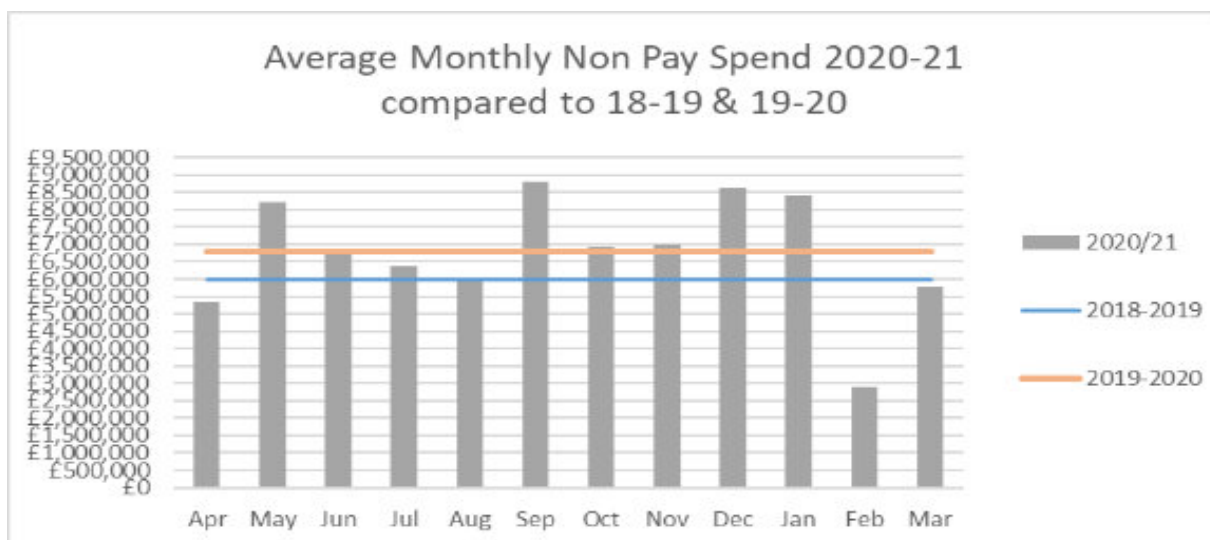
4.3 Non Pay Analysis

Income Type	Year End Forecast		
	£(23)k Overspend		
	Full Year Budget (£'000)	Full Year Actual (£'000)	Forecast Variance (£'000)
Nice & High Cost Drugs	36,786	36,819	(33)
Blood Wholesaling	12,092	12,149	(57)
Depreciation	6,416	6,354	62
Clinical Services & Supplies	6,184	6,569	(385)
Facilities Management	853	931	(77)
Maintenance & Repairs	2,979	3,455	(476)
General Drugs	2,747	2,549	198
Utilities/ Rent /Rates	2,223	2,293	(71)
General Services & Supplies	3,315	2,860	455
Blood Components	1,870	2,195	(325)
Transport	1,201	1,154	47
Printing / Stationary / Postage	875	690	185
Computer Maintenance & Supplies	1,016	1,072	(56)
Travel & Subsistence	583	400	183
Equipment & Consumables	476	500	(24)
Education & Development	393	333	59
NHS SLA	(676)	(786)	110
Audit Fees	307	272	35
Telecoms	273	396	(122)
One Wales End of Life Care	957	949	8
General Reserves / Savings Target	286	25	262
Total	81,157	81,180	(23)

The Trust has reported a year end underspend of £(23)k overspend on Non Pay for 2020-21.

- Clinical Services overspent in VCC which is due to increase in spend on M&SE consumables and one off costs funded by the release of reserves.
- Maintenance & Repairs, along with Computer Maintenance & Supplies are seeing a general increase in costs, which is currently under review for 2021-22.
- General drugs & Blood Components underspent due to reduced activity from Covid.
- Rates in utilities have seen an increase especially within VCC.
- General Services, Transport, Travel & subsistence and Education are all underspending due to reduced activity in the Trust largely related to Covid.
- Blood Components overspend was activity related following impact of Covid, and additional costs of blood sample archiving.
- Printing / Stationary & Postage underspend during 2020-21 due to a reduction in office based activity and paper based communications given the increase in homeworking as a result of Covid.
- Telecoms associated costs have increased due to the emergence of virtual hubs in response to Covid.
- General Reserves held centrally within Divisions was used to support overspending across the various categories as described above.

Non-pay (c£81.6m) av. monthly spend increased by c£800k (10%) from £6m in 18-19 to £6.8m in 19-20. The monthly av. for 20-21 was also £6.8m in line with the 19-20 average.



*Non-Pay includes £9.3m (£2.1m May, £1m Sep, £1.5m Dec £0.3m Jan, £0.2m Feb, £4.2m in March) of Covid pass through expenditure to the hospices funded via WG, with the full £9.3m being netted off in the accounts during March.

* VCC drug spend for 21-22 was agreed with the HB's to be based on 2020-21 up until February when a review on actual spend was undertaken. This resulted in slightly volatile monthly variances taking place during Sep, Dec and January, which was corrected and reduced in February.

4.4 Covid-19

Covid-19 Revenue Spend	
Expenditure Type	Full Year
	Actual (£'000)
Pay	3,984
Non Pay	11,532
Non Delivery of Savings Plans	700
Reduction of non pay costs due to reduced elective activity	(625)
Total	15,591

All Covid related expenditure was fully funded by WG during 2020-21.

The total expenditure on services directly related to Covid during 2020-21 was £15,591k. This incorporates actual gross expenditure of 15,516k, plus non delivery of savings of £700k, offset by a reduction in activity related costs of £(625)k.

Included with the non-pay spend is gross expenditure of £9,300k relating to Hospice funding which passed through the Trust and was fully funded by WG (netted off within the accounts).

Additionally £450k relates to the all Wales Convalescent Plasma service pilot, which Welsh Government asked the Trust to implement.

Mass Vaccinations

The Trust spend £203k on the Mass Covid Vaccinations during 2020/21. The £203k revenue spend requirement for 2020/21 included the costs associated with the WBS storage and distribution for NHS Wales, delivery of vaccinations to front line staff in both Velindre and WAST, and the rollout of the Patient Vaccination programme.

5. Savings

The Trust established as part of the IMTP a savings requirement of £1,400k for 2020-21, (£1,200k) recurrent and (£200k) non-recurrent, with £1,000k being categorised as actual saving schemes and £400k being income generating schemes. Following a review of the schemes since the IMTP submission in January '20, the savings were re-categorised as £800k being actual saving schemes, and £600k being income generating schemes.

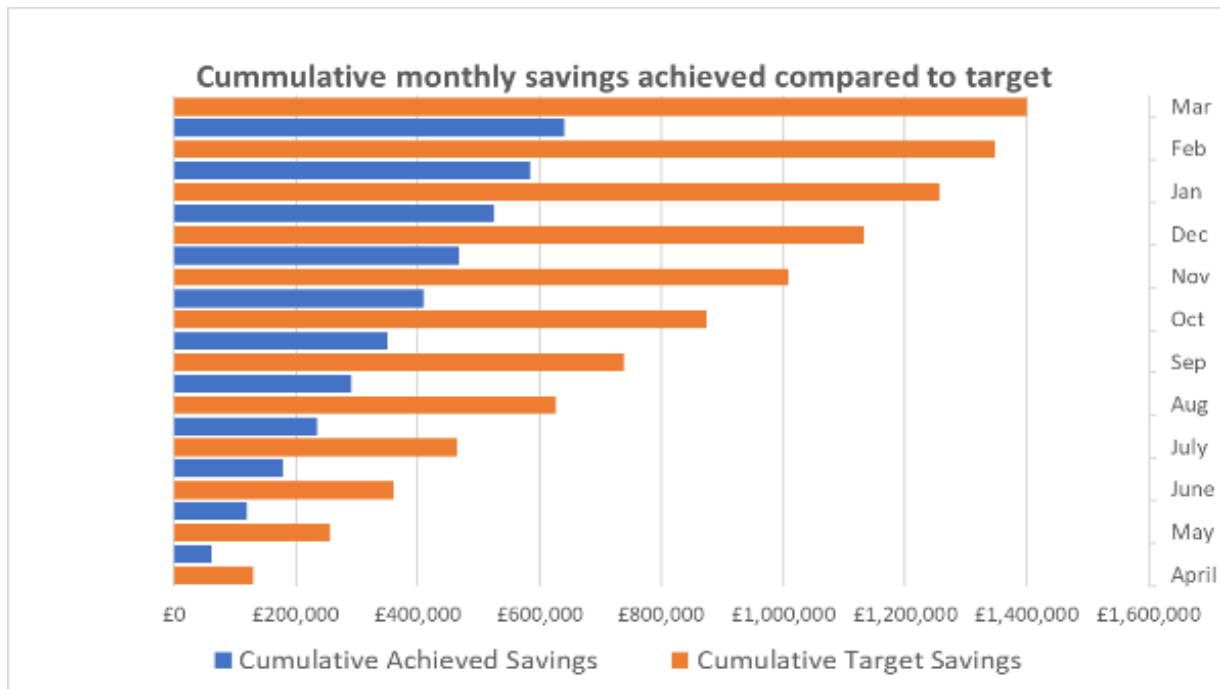
Within the identified savings, £650k of the schemes turned RAG rated green, £700k turned red due to the impact of Covid, and a further £50k turned red but with non-recurrent schemes being generated in its place. A significant proportion of the savings was expected to be delivered through service redesign and workforce rationalisation, which has been impossible to enact due to the capacity workforce requirement of delivering within the Covid environment.

The Trust reported a full year underachievement of **£(700)k** against the savings plans, which is a direct result of Covid and was funded via WG. The £(700)k was made up of four schemes within VCC (£550k) and one scheme within WBS (£150k).

The Trust agreed as part of the 2020-21 IMTP process that a balanced position will be carried into the 2021-22, however given that Covid had such a large impact on delivery (50% under-achieved) against the savings target this year, it is extremely important that both the SMT and SLT, along with the Executive team consider the longer-term impact of Covid, which is also going to have an effect on the ability to achieve the savings target during 2021-22.

The £(700)k underachievement against the 2020-21 savings target will be carried forward into 2021-22 as an underlying deficit.

ORIGINAL PLAN		TOTAL £000	Full Year Actual £000	Variance Full Year £000
VCC TOTAL SAVINGS		850	201	(649)
			24%	
WBS TOTAL SAVINGS		450	335	(115)
			74%	
CORPORATE TOTAL SAVINGS		100	100	0
			100%	
TRUST TOTAL SAVINGS IDENTIFIED		1,400	636	(764)
TRUST ADDITIONAL NON-RECURRENT SAVINGS			64	64
WG COVID FUNDING FOR LOSS OF SAVINGS			700	700
TRUST TOTAL SAVINGS		1,400	1,400	0
			100%	
Scheme Type	RAG RATING	TOTAL £000	F'cast Full Year £000	Variance Full Year £000
Savings Schemes				
Service Redesign - (Covid)	Red	50	0	(50)
Premium of Agency Staffing - (Covid)	Red	150	0	(150)
Supportive Structures - (Covid)	Red	150	0	(150)
Procurement National and Local Value Plan	Red	50	0	(50)
Non Pay targeted Savings	Green	84	84	0
Non Recurrent Gains - Stock Management	Green	100	135	35
Review of Staffing	Green	116	116	0
Changes in Staffing Establishment	Green	100	100	0
Total Saving Schemes		800	435	(365)
Income Generation				
Productivity Gains - (Covid)	Red	200	0	(200)
Maximising Meds@Home opportunities	Green	50	50	0
Medicines Management (Secondary Care)	Green	100	50	(50)
Maximum income opportunities	Green	100	100	0
Increased Sale of Products - (Covid)	Red	150	0	(150)
Total Income Generation		600	201	(399)
TRUST ADDITIONAL NON-RECURRENT SAVINGS			64	64
WG COVID FUNDING FOR LOSS OF SAVINGS			700	700
Trust Total Savings		1,400	1,400	0
			100%	



6. Reserves

The financial strategy for 2020-21 facilitated the development of a recurrent and non-recurrent reserve in support of the Trust transformation and delivery agenda. These reserves could only be accommodated on the basis that all income expectations are received, planned savings schemes delivered and new emerging cost pressures managed. In addition, the Trust holds an emergency reserve of 522k.

The reserves were fully utilised during 2020-21 ensuring a Trust overall balanced position.

7. End of Year Forecast / Risk Assessment

A number of financial risks and opportunities arose during the year, which for 2020/21 either were removed or were able to be mitigated and managed from within the overall Trust position.

8. CAPITAL EXPENDITURE

Administrative Target

- To ensure that net Capital expenditure does not exceed the Capital Expenditure Limit (CEL) approved by the Welsh Government.
- To ensure the Trust does not exceed its External Financing Limit

	Approved CEL £000s	Full Year Actual Spend £000s	Year End Variance £000s
All Wales Capital Programme			
Transforming Cancer Services	3,031	2,784	247
TCS - Radiotherapy Procurement Solution	548	548	0
IT - WPAS (CANISC replacement phase 2)	792	815	(23)
VCC CT Sim Replacement x2	1,557	1,506	51
WBS DNA Extracting Kit	50	53	(3)
WBS Foetal D	54	34	20
VCC - Treatment Planning System	44	32	12
WBS HQ	150	147	3
Fire Safety	100	171	(71)
Total All Wales Capital Programme	6,326	6,090	236
Covid-19			
COVID-19 WBS Plasmapheresis	397	320	77
COVID-19 Digital Devices	92	92	0
COVID-19 Other	946	946	0
COVID-19 (Tranche 4)	44	44	0
COVID-19 2020/21 Final Draw Down	366	366	0
Total Covid-19	1,845	1,768	77
Discretionary Capital	1,850	2,157	(308)
Sub Total	10,021	10,015	5
Charitable Funded Capital Scheme	50	50	0
TOTAL	10,071	10,065	5

The approved Capital Expenditure Limit (CEL) for 2020/21 was £10,021k (excl Charity). This includes All Wales Capital funding of £6,326k, Covid funding of £1,845k, and discretionary funding of £1,850k.

The Trust reported a total spend of £10,015k against the CEL of £10,020k, representing a £5k underspend for the Capital programme during 2020/21.

Covid-19

The total Capital expenditure on Covid during 2020/21 was £1,768k against a budget of £1,845k. This includes £320k (previously £397k) for Convalescent Plasma, £92k for Digital Devices, £946k for other related Covid expenditure such as Medical and IT equipment, Gas Supply resilience, and

certain social distancing measures. As part of the Tranche 4 funding from WG the Trust received £44k to purchase the WBS Freezers for NHS Wales Mass Vaccination (£17k), and the purchase of Defibrillators (£27k) bought via NWSSP. The final draw down in 2020/21 of £366k was in relation to additional IT requirements, the purchase of the Tenovous lease, and further social distancing measures such as virtual hubs.

The underspend on the Convalescent Plasma was made available to the discretionary programme during 2020/21.

All Wales Schemes

A couple of the All Wales Schemes including TCS reflect a year end outturn underspend against the agreed funding. The underspend as with the Convalescent was utilised for use within the discretionary programme.

Major Schemes in Development

The Trust has also been in discussions with WG over other project funding which it is seeking to secure from the All Wales Capital programme.

The Trust received approval from WG for the WBS HQ and Fire Safety Schemes during March, with part of the funding flowing during 2020/21 per the table.

Other Major Schemes in development that will now be considered during 2021/22 in conjunction with WG include:

VCC Ventilation VCC Infrastructure

Radiology and Imaging – Replacement of the Fluoroscopy suite equipment and upgrade of the MR scanner – (Funding Approved in April)

9. BALANCE SHEET (Including Hosted Organisations)

The Balance Sheet in NHS Financial Statements is known as the Statement of Financial Position. It provides a snapshot of the Trust's financial position including the hosted divisions at a point in time.

The statement shows the Trust's assets and liabilities. As part of the Trust SFIs there is a mandatory requirement to report movement in working capital.

Balance Sheet key movements between opening balance as at 1st April '20 and closing balance as at 31st March '21.

Non-Current Assets

PPE/ Intangible Assets

The **increase of £10,181k** from 1st April to 31st March will relate to the agreed purchase from the Trust Capital programme, offset against the depreciation charges on Property, Plant & Equipment and Intangible assets.

Current Assets

Inventories (stock)

The **increase in stock of £82,430k** from 1st April to 31st March relates mainly to purchases of stock within NWSSP in response to Covid, which will be passed out to the HB's during 2021-22. The Trust is still holding £7,000k of contingency stock from 2018-19, which WG asked both NWSSP and WBS to purchase in preparation for Brexit supply chain risks.

The Trust was intending to unwind the Brexit contingency stock during 2020-21 to repay the £7,000k cash provided by WG to purchase it, however, given the impact of Covid on supply chains the Trust is currently continuing to hold this stock with the expectation that this will be unwound during 2021-22.

Cash and cash equivalents

Due to the high levels of purchases relating to Covid within NWSSP, the cash levels with agreement from WG are being held at higher levels than normal. Cash balances are being continually monitored using a cash flow forecast in order to maintain appropriate levels.

Trade and other receivables

Trade and other receivables will move up and down each month depending on timing of when invoices are raised, and when the cash is physically received from debtors.

Current Liabilities & Non-Current Liabilities

Current Liabilities

Current Liabilities will move up and down each month depending on timing of when commitments are made, and invoices are received and paid.

	Opening Balance Beginning of Apr 20	Closing Balance End of Mar-21	Movement from 1st April Mar-21
	£'000	£'000	£'000
Non-Current Assets			
Property, plant and equipment	129,554	136,558	7,004
Intangible assets	17,644	20,821	3,177
Trade and other receivables	862,962	818,966	(43,996)
Other financial assets	0	0	0
Non-Current Assets sub total	1,010,160	976,345	(33,815)
Current Assets			
Inventories	13,134	95,564	82,430
Trade and other receivables	414,260	550,947	136,687
Other financial assets	0	0	0
Cash and cash equivalents	18,263	43,263	25,000
Non-current assets classified as held for sale	0	0	0
Current Assets sub total	445,657	689,774	244,117
TOTAL ASSETS	1,455,817	1,666,119	210,302
Current Liabilities			
Trade and other payables	(166,270)	(353,134)	(186,864)
Borrowings	(21)	(8)	13
Other financial liabilities	0	0	0
Provisions	(272,376)	(319,078)	(46,702)
Current Liabilities sub total	(438,667)	(672,220)	(233,553)
NET ASSETS LESS CURRENT LIABILITIES	1,017,150	993,899	(23,251)
Non-Current Liabilities			
Trade and other payables	0	(7,301)	(7,301)
Borrowings	(8)	0	8
Other financial liabilities	0	0	0
Provisions	(863,259)	(820,600)	42,659
Non-Current Liabilities sub total	(863,267)	(827,901)	35,366
TOTAL ASSETS EMPLOYED	153,883	165,998	12,115
FINANCED BY:			
Taxpayers' Equity			
General Fund	0	0	0
PDC	113,118	122,468	9,350
Retained earnings	12,432	15,552	3,120
Revaluation reserve	28,333	27,978	(355)
Other reserve	0	0	0
Total Taxpayers' Equity	153,883	165,998	12,115

10. CASH FLOW (Includes Hosted Organisations)

Cash held in the Trusts bank account is a key indicator of its financial health in terms of income, expenditure and surplus or deficit. The Trust is mainly reliant on its commissioners for cash, however if the Trust has a deficit it would need to secure a loan from Welsh Government to cover the cash shortfall created by the deficit.

The cash-flow forecast is important to enable the Trust to plan for sufficient cash availability throughout the financial year to pay its debts, such as payroll, services provided by other health bodies and private companies. The cash-flow forecast ensures that the Trust has an early understanding of any cash-flow difficulties and can liaise with Welsh Government to secure a loan.

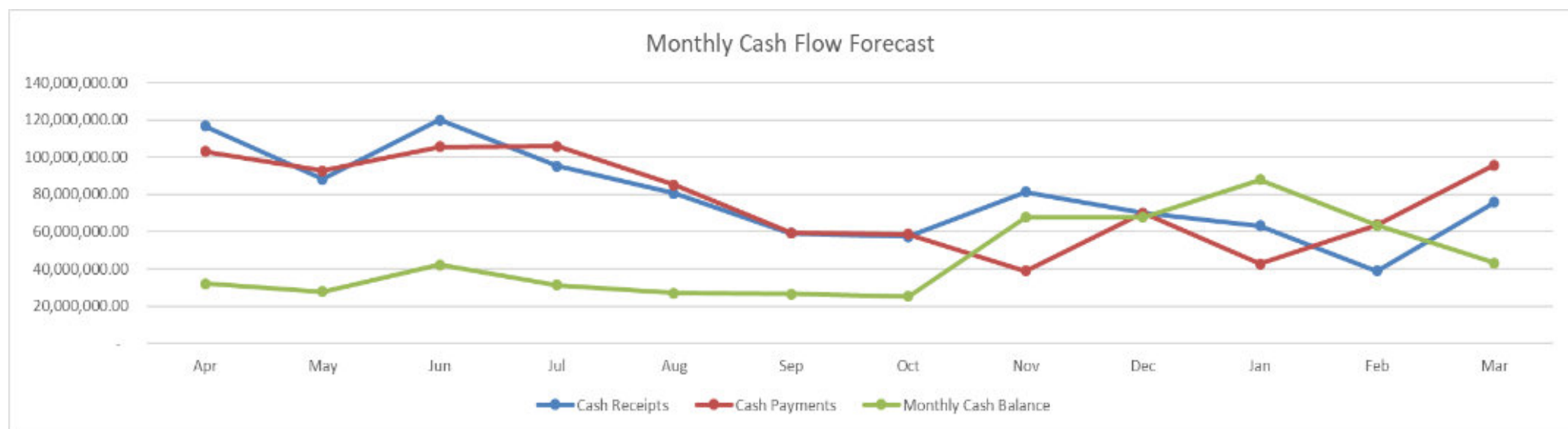
As part of the Brexit emergency planning an additional £5m of stock had been purchased by NWSSP and an additional £2m of commercial blood products have been purchased by WBS, to provide resilience for NHS Wales due to the precarious decision around Brexit.

To aid the Trust's cash flow while the stock was being held for Brexit, Welsh Government have provided the Trust with additional cash of £7m during 2019/20 with the intention that it is now repaid during 2021/22. WBS did intend to run down the stock from April, however given the precarious situation with Covid the Trust will continue to hold this stock until further notice. NWSSP are currently reviewing the timing of the All Wales Brexit stock run down.

Due to the high levels of purchases relating to Covid within NWSSP the cash levels have been significantly higher than usual during the year and may continue to be higher with ongoing need for Covid related purchases. The cash balance can fluctuate significantly on a daily / weekly basis.

Cash levels are monitored on a daily basis using a detailed cash flow forecast in order to ensure the Trust has sufficient cash balances to meet anticipated commitments.

	Apr £'000	May £'000	Jun £'000	Jul £'000	Aug £'000	Sep £'000	Oct £'000	Nov £'000	Dec £'000	Jan £'000	Feb £'000	Mar £'000	Totals £'000
RECEIPTS													
LHB / WHSSC income	20,362	26,383	20,839	55,869	25,973	18,500	22,300	28,851	27,041	33,983	23,558	45,040	348,699
WG Income	93,193	44,297	70,821	25,015	47,924	38,900	32,800	49,784	33,186	25,150	12,013	5,116	478,199
Short Term Loans													0
PDC	135											9,488	9,623
Interest Receivable	3	4	0	4	4	0	0	0	0	0	0	0	15
Sale of Assets									13			7,005	7,018
Other	3,162	17,499	28,494	14,317	6,817	1,664	2,150	2,702	9,696	4,046	3,184	9,211	102,942
TOTAL RECEIPTS	116,855	88,184	120,154	95,205	80,718	59,064	57,250	81,337	69,936	63,179	38,755	75,860	946,496
PAYMENTS													
Salaries and Wages	15,946	15,958	16,323	16,424	18,048	19,137	20,067	19,055	19,746	20,198	21,093	27,571	229,566
Non pay items	84,539	75,671	88,129	87,538	65,800	38,200	36,600	19,140	50,861	19,902	40,175	61,584	668,140
Short Term Loan Repayment													0
PDC Repayment												273	273
Capital Payment	2,551	1,004	1,167	2,030	1,380	2,100	1,980	653	(686)	2,629	2,265	6,472	23,545
Other items													0
TOTAL PAYMENTS	103,036	92,633	105,619	105,992	85,228	59,437	58,647	38,849	69,921	42,729	63,533	95,900	921,524
Net cash inflow/outflow	13,818	(4,450)	14,535	(10,787)	(4,510)	(373)	(1,397)	42,488	14	20,450	(24,778)	(20,040)	
Balance b/f	18,263	32,081	27,632	42,167	31,380	26,870	26,497	25,100	67,588	67,603	88,053	63,275	
Balance c/f	32,081	27,632	42,167	31,380	26,870	26,497	25,100	67,588	67,603	88,053	63,275	43,235	



DIVISIONAL ANALYSIS

(Figures in parenthesis signify an adverse variance against plan)

Core Trust

	Full Year Budget	Full Year Actual	Closing Variance
	£000	£000	£000
VCC	34,932	34,937	(5)
RD&I	(58)	(60)	2
WBS	21,281	20,924	357
Sub-Total Divisions	56,156	55,801	355
Corporate Services Directorates	2,562	2,561	1
Delegated Budget Position	58,718	58,362	356
TCS	640	617	23
Health Technology Wales	0	(1)	1
Non recurrent measures to achieve financial breakeven general reserves	0	(365)	(365)
Trust Position	59,359	58,613	16

VCC

	Full Year Budget	Full Year Actual	Closing Variance
	£000	£000	£000
Income	53,333	53,257	(76)
Expenditure			
Staff	38,512	38,545	(33)
Non Staff	49,753	49,649	104
Sub Total	88,265	88,194	72
Total	34,932	34,937	(5)

VCC Key Issues:

The final reported financial position for the Velindre Cancer Centre was a small overspend of £(5)k.

Income reported a £(76)k underachievement, which was caused by non-achievement of the Management savings target, and the closure of the gift shop during the pandemic. This was largely

offset by higher than expected income above target for SACT Homecare, and an increase in private patient drug recharges (incl. top-up).

Staff reported a **£(33)k** overspend for the year. The major factor contributing to the overspend is the cost of agency which totals **£(1,446)k**, with additional activity in Radiotherapy and Medical Physics being the main cause. There are underspends across the division due to vacancies which are above the vacancy factor target and the service redesign savings target, which has largely offset the cost of agency.

Non-Staff reported an underspend of £104k. There are underspends on general drugs, along with various underspends across other services due to low activity, such as Radiology, and patient appliances (wigs), along with reduced costs following closure of the gift shop. This is partly offset with an overspend in Pharmacy due to one off maintenance costs for Chemo Care, Medical Oncotype spending, cost of the Tenovus bus to increase SACT delivery, and the non-achievement of savings plans amongst other license, rate and maintenance cost increases in the service.

WBS

	Full Year Budget £000	Full Year Actual £000	Closing Variance £000
Income	17,853	17,088	(765)
Expenditure			
Staff	17,370	16,421	949
Non Staff	21,764	21,591	173
Sub Total	39,134	38,012	1,122
Total	21,281	20,924	357

The final reported financial position for the Welsh Blood Service was an underspend of **£357k** for 2020/21.

Income underachievement to date is **£(765)k**, where activity is lower than planned on Plasma Sales, Bone marrow and Nequas due to Covid suppressed activity. Any income loss on this activity was recovered from WG Covid funding.

Staffing underspend was extremely high during 2020-21 **£949k** due to a high number of vacancies and funding received in response to Covid and for Convalescent plasma.

Non-Staff underspend of **£173k** was reported for the financial year, which is largely due to reduced costs from suppressed activity, underspend on collections services, Laboratory Services, and WTAIL, (business Systems & Centre service), and Clinical Services.

Corporate

	Full Year Budget £000	Full Year Actual £000	Closing Variance £000
Income	7,147	7,141	(6)
Expenditure			
Staff	7,934	7,870	64
Non Staff	1,775	1,832	(56)
Sub Total	9,709	9,702	8
Total	2,562	2,561	1

Corporate Key Issues:

The final reported financial position for the Corporate Division was **breakeven** for 2020/21.

Income underachieved slightly by **£6k**, where VAT income offset a reduction in bank interest following the rate changes earlier in the year, full year effect £(90)k.

Staff underspends **£64k** are due to vacancies which are partly being offset by the use of agency staff.

Non pay overspent by **£(56k)** due to the unachieved savings target, and an overspend in VCC Estates, which was be offset by debt recovery savings.

RD&I

	Full Year Budget £000	Full Year Actual £000	Closing Variance £000
Income	4,051	3,823	(228)
Expenditure			
Staff	2,798	2,686	111
Non Staff	1,196	1,077	119
Sub Total	3,993	3,763	230
Total	(58)	(60)	2

RD&I Key Issues

The reported financial position for the RD&I Division for 202/21 was **Breakeven**.

Income that was expected to be received in the final quarter of the year in relation to the FAKTION agreement will now be received during 2021/22 causing an underachievement of £228k.

Staff cost underspends of £111k are due to Vacancies and maternity leave in the Trials delivery team.

Non-Staff related underspends £119k are due to savings from a reduction in Trials activity.

TCS – (Revenue)

	Full Year Budget	Full Year Actual	Closing Variance
	£000	£000	£000
Income	0	0	0
Expenditure			
Staff	560	536	25
Non Staff	80	81	(1)
Sub Total	640	617	23
Total	640	617	23

TCS Key Issues

The final reported financial position for the TCS Programme for 2020-21 was a **£23K** underspend on staff.

HTW

	Full Year Budget	Full Year Actual	Closing Variance
	£000	£000	£000
Income	955	955	(0)
Expenditure			
Staff	765	765	(0)
Non Staff	191	190	1
Sub Total	955	954	1
Total	0	(1)	1

HTW Key Issues

The reported financial position for Health Technology Wales for 2020/21 was **Breakeven**

Appendix 1

TCS PROGRAMME DELIVERY BOARD

TCS PROGRAMME FINANCIAL REPORT FOR 2020-21 MARCH 2021

DATE OF MEETING	15 th April 2021
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PUBLIC OR PRIVATE REPORT	Public
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IF PRIVATE PLEASE INDICATE REASON	Not Applicable - Public Report
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PREPARED BY	Mark Ash, Assistant Director of Finance - TCS Programme
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PRESENTED BY	Mark Ash, Assistant Director of Finance - TCS Programme
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EXECUTIVE SPONSOR APPROVED	Mark Osland, Executive Director of Finance
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REPORT PURPOSE	ENDORSE FOR BOARD APPROVAL
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COMMITTEE/GROUP WHO HAVE RECEIVED OR CONSIDERED THIS PAPER PRIOR TO THIS MEETING		
COMMITTEE OR GROUP	DATE	OUTCOME
N/A		Choose an item.

ACRONYMS	
TCS Trust	Velindre Cancer Services Velindre University NHS Trust New Velindre Cancer Centre Welsh Government Programme Management Office

1. PURPOSE

- 1.1 The purpose of this report is to provide a financial update to the TCS Programme Delivery Board for the financial year 2020-21, outlining spend to date against budget as at Month 12.

2. BACKGROUND

- 2.1 In January 2015 the Minister for Health and Social Services approved the initial version of the Strategic Outline Programme 'Transforming Cancer Services in South East Wales'. Following the completion of the Key Stage Review in June/July 2015, approval was received from the Minister to proceed to the next stage of the Programme.
- 2.2 It should be noted that as at March 2020, the Cabinet Secretary for Health, Well-being and Sport, has approved capital and revenue funding for the TCS Programme and its associated Projects. The total cumulative expenditure as at the end of March 2020 was £17.375 Capital and £2.621m for Revenue.
- 2.3 In addition to WG funding, NHS Commissioners agreed in December 2018 to provide annual revenue funding towards the TCS Programme, £0.400m of which was provided in 2018/19, £0.420m in 2019-20, and £0.420m in 2020-21.
- 2.4 In the financial year 2019-20, the Trust provided the nVCC and Enabling Works projects with £0.060m of revenue funding from its own baseline revenue budget. Previously direct revenue support for these projects had been provided by WG. .
- 2.5 The Radiotherapy Procurement Solution PBC (Project 3 – Equipment and Digital) was endorsed by WG in 2019-20. Capital funding of £1.110m was approved from July 2019 to December 2022, with £0.347m provided in 2019-20. Re-profiling of the funding resulted in a revised funding allocation of £0.250m for the 2019-20 financial year. The slippage of £0.097m has been reprovided in the next financial year, increasing the allocation for the financial year 2020-21 from £0.451m to £0.548m.

3. FUNDING

Funding provision for the financial year 2020-21 is outlined below. The following should be noted:

- 3.1 In October 2020, Welsh Government provided capital funding for the nVCC and EW Projects of £3.261m. However, it should be noted that £0.257m was subject to Ministerial agreement of the Enabling Works OBC. WG have released £0.027m of this funding for GI works. Therefore, the approved capital funding released was £3.031m.
- 3.2 A review was undertaken by the Enabling Works Project and it was determined that the funding provided for the Reserved Matters Application fee of c£0.200m was not required. This position has been managed within the overall Capital Programme.
- 3.3 A revenue budget of £30k was also provided in October 2020 from the Trust's core revenue budget to cover project delivery costs for 2020-21 for the Enabling Works and nVCC Projects.

Description	Funding	
	Capital	Revenue
Programme Management Office There is no capital funding requirement for the PMO at present Allocation from funding provided from Commissioners for 2020-21 to cover direct clinical/management support and PMO	£nil	£0.240m
Project 1 – Enabling Works for nVCC Project 2 – nVCC <i>WG Capital Funding</i> Capital funding from WG was provided in October 2020 Funding for Reserved Matters Application Fee released to the Trust's Discretionary Capital Programme <i>Revenue Funding</i> Revenue funding to cover project delivery costs was provided by the Trust in October 2020	£3.031m -£0.199m	£0.030m
Project 3a – Radiotherapy Procurement Solution £0.451m capital funding provided in 2020-21 plus £0.097m capital funding reprovided from 2019-20	£0.548m	£nil
Project 4 – Radiotherapy Satellite Centre Project is led and funded by the hosting organisation, Aneurin Bevan University Health Board, and no funding requirement is expected from the Trust for 2020-21	£nil	£ nil
Project 5 – SACT and Outreach Funding has been requested for this project however none has been provided to date	£nil	£nil
Project 6 – Service Delivery, Transformation and Transition No capital funding requirement at present Allocation from funding provided from Commissioners for 2020-21 to cover direct clinical/management support and PMO Funding provided from the Trust's core revenue budget towards the costs of the Project Director post Funding transferred from Velindre Cancer Centre toward the costs for the Project Manager post Funding provided from the Trust's core revenue budget for the Acute Oncology Service Business Justification Case	£nil	£0.180m £0.067m £0.049m £0.050m

Description	Funding	
	Capital	Revenue
Project 7 – VCC Decommissioning No funding requested or provided for this project to date	£nil	£nil
Total funding provided to date: £3.996m	£3.380m	£0.616m

4. FINANCIAL SUMMARY AS AT 31ST MARCH 2021

- 4.1 The summary financial position for the TCS Programme for the year 2020-21 is outlined below:

TCS Programme Budget & Spend 2020/21			
CAPITAL	Annual Budget	Financial Year Year End Outturn	Annual Variance
	£	£	£
PAY			
Project Leadership	176,073	163,576	12,496
Project 1 - Enabling Works	85,687	85,681	6
Project 2 - New Velindre Cancer Centre	728,409	655,268	73,140
Project 3a - Radiotherapy Procurement Solution	416,000	375,246	40,754
Capital Pay Total	1,406,169	1,279,772	126,397
NON-PAY			
nVCC Project Delivery	76,850	55,752	21,097
Project 1 - Enabling Works	879,315	787,824	91,491
Project 2 - New Velindre Cancer Centre	885,697	1,036,067	-150,370
Project 3a - Radiotherapy Procurement Solution	132,000	172,544	-40,544
Capital Non-Pay Total	1,973,861	2,052,187	-78,326
CAPITAL TOTAL	3,380,030	3,331,959	48,071

REVENUE	Annual Budget	Financial Year Year End Outturn	Annual Variance
	£	£	£
PAY			
Programme Management Office	210,000	207,741	2,259
Project 6 - Service Change Team	295,591	302,934	-7,343
Revenue Pay total	505,591	510,675	-5,084
NON-PAY			
nVCC Project Delivery	30,000	24,971	5,029
Programme Management Office	30,000	6,321	23,679
Project 6 - Service Change Team	50,000	50,255	-255
Revenue Non-Pay Total	110,000	81,548	28,452
REVENUE TOTAL	615,591	592,223	23,368

5. **FINANCIAL POSITION FOR TCS PROGRAMME AND ASSOCIATED PROJECTS AS AT 31ST MARCH 2021**

CAPITAL SPEND

Projects 1 and 2 Pay Costs

- 5.1 **WG Funded Staffing** – A full year spend of **£0.905m** for posts funded by WG reflects the current 'interim' posts against a budget of **£0.990m**. The underspend of £0.086m is due to a delay in staff recruitment and loss of staff. The pay costs have been analysed by each element of the Project(s).

Projects 1 and 2 Non-Pay Costs

- 5.2 **nVCC Project Delivery** - There is a capital cost of **£0.056m** for the year for project support and running costs for Projects 1 and 2 against a budget of **£0.077m**. This is made up of internal audit fees, IT purchases, travel and subsistence, and general office costs. The underspend of £21k is due to a delay in the procurement of additional document portal services.

- 5.3 **Enabling Works** - There is a full year capital spend of **£0.874m** against a budget of **£0.965m**.

Work package	Spend to 31st March 2021
Pay	£0.086m
Planning (inc TCAR & Asda)	£0.090m
Master Planning & Feasibility Study	£ nil
Third Party Undertakings	£0.175m
Enabling Works - Design & Employers Requirements	£0.525m
Enabling Works – Works	£0.001m
Miscellaneous Works – Fol Legal Advice	-£0.004m

- 5.4 **nVCC** - There is a full year capital spend of **£1.855m** against a budget of **£1.790m**.

Work package	Spend to 31st March 2021
Pay (including Project Leadership)	£0.819m
Project Agreement (PA)	£0.168m
Procurement Documents (PD)	£0.296m
Land Transfer	£0.029m
nVCC Technical Support	£0.515m
Competitive Dialogue Preparedness	£0.021m
Miscellaneous Works – Fol Legal Advice	£0.006m

Project 3a – Radiotherapy Procurement Solution

- 5.5 There is a full year spend of **£0.548m** (£0.375m pay, £0.173m non-pay) for the Integrated Radiotherapy Solutions Procurement Project against a budget of **£0.548m**.

REVENUE SPEND

Programme Management Office

- 5.6 The PMO spend for 2020-21 is **£0.214m** against a budget of **£0.240m**, made up of pay costs of £0.208m and non-pay costs of £6k. The underspend of £26k is due to the reduced costs for the Associate Director of Programmes, a delay in recruitment, and in non-pay spend on training and events not taking place due to COVID-19.

Projects 1 and 2 Delivery Costs

- 5.7 There is a revenue project delivery cost for the nVCC and Enabling Works Projects of **£25k** for 2020-21 against a budget of **£30k**. The cost is made up of rates and other running

costs, with the underspend of £5k due to training and events not taking place due to COVID-19. o

Project 6 – Service Delivery, Transformation and Transition (Service Change)

- 5.8 Service Change spend for 2020-21 is **£0.353** against a budget of **£0.346m**. This is made up of pay costs of £0.303m and non-pay costs of £0.050m for Healthcare Planner support for the Acute Oncology Services Business Justification Case (AOS BJC). The overspend is due to increased pay costs.

6. CONSIDERATIONS FOR BOARD

- 6.1 An extract of this report is reported in the Trust Boards Finance Report.

7. IMPACT ASSESSMENT

QUALITY AND SAFETY IMPLICATIONS/IMPACT	There are no specific quality and safety implications related to the activity outlined in this report.
RELATED HEALTHCARE STANDARD	Staff and Resources If more than one Healthcare Standard applies please list below:
EQUALITY IMPACT ASSESSMENT COMPLETED	Not required
LEGAL IMPLICATIONS / IMPACT	There are no specific legal implications related to the activity outlined in this report.
FINANCIAL IMPLICATIONS / IMPACT	Yes (Include further detail below) See above.

8. RECOMMENDATION

The TCS Programme Board are asked to **ENDORSE** the financial position for the TCS

VELINDRE NHS TRUST

UPDATE OF ACTION POINTS FROM PUBLIC TRUST BOARD MEETINGS UPDATED 28th January 2021

MINUTE NUMBER	ACTION	STATUS	LEAD	DUE DATE/ STATUS
26.11.2020 Public Trust Board				
2.2.2	1. Mrs Nicola Williams to request the Quality, Safety & Performance Committee provide an update on activities for the improvement and maintaining staff wellbeing including a trend analysis on anxiety/stress absence to the January 2021 Trust Board.	ONGOING	SFM	Update 19/05/2021: The Trust has developed a Wellbeing Recovery Plan which was presented to the Executive Management Board on the 4 th May 2021. Quality Safety Performance Committee will receive a presentation on the plan at its July 2021 meeting.
28.02.2021 PUBLIC TRUST BOARD				
5.6.0	1. A request was made for future reports on the Progress against the Trust's Delivery Plan to include information on cause of delays in completing actions and any implications for the Trust. 2. A request was made for additional information to be supplied on amber actions including the reason for any delays in future reports.	ONGOING ONGOING	CJ CJ	Update: 23/03/21: A review of outstanding 2021 Quarterly Actions is currently being undertaken to see if they are still relevant for 2021/2022.
25. 03.2021 PUBLIC TRUST BOARD				
2.1.3	Contract Acceptance and Expenditure Urgent Decisions over £100k (Procurement) March 2021 – June 2021	CLOSED	MO	Paragraph reviewed and revised wording agreed.

	Prof. Donna Mead noted the Section 2 Option Appraisal Analysis paragraph should be reviewed.			
2.1.6	<p>NHS Wales Shared Services – Further Extension of Increased Financial Delegation</p> <p>Page 4 the public contract regulations final sentence which states “seek to continue to rely on regulation during the COVID-19 situation”, should be revisited following discussions of the Trust Board and a reminder to be sent to Procurement colleagues on how the Trust view on the approach to the procurement process.</p>	CLOSED	MO	A note was sent to the Director of Procurement on 29/3/21 and a response received providing assurance that the use of Reg 32(2) (c) will not be the default position for Personal Protective Equipment procurement going forward.
4.2.0	<p>CEO Update</p> <p>A letter to be sent to Mr Bob Hudson and Mrs Helen Thomas, Digital Health and Care Wales to wish them every success.</p>	CLOSED	SH/DM	Completed letter sent
5.4.0	<p>Divisional Quality Safety & Performance Report as at January 2021</p> <p>Mrs Cath O’Brien to ascertain how the targets are set for Palliative Radiotherapy waiting targets.</p>	CLOSED	COB	This information is included in the PMF Cover Paper
	A Board Development Session to provide an update on the Outpatients developments, which had led to the improvements and future plans.	CLOSED	LF	This has been included within the scope of the Velindre Cancer Service Development Sessions in the revised Board Development Programme.
5.5.0	<p>Financial Report Period Ended January 2021 (M10)</p> <p>Mr Mark Osland to provide a note to the Trust board on the final end of year financial position, once available.</p>	CLOSED	MO	Note issued to the Board on 30 April 2021

	Analysis information to be provided to Mr Martin Veale on the additional staff that needs to be recruited either as permanent staff or in addition to allow the Trust to respond to the pandemic.	CLOSED	MO	Note issued to Martin on 30 March 2021
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TRUST BOARD

CHAIR'S REPORT

DATE OF MEETING	08/06/21	
PUBLIC OR PRIVATE REPORT	Public	
IF PRIVATE PLEASE INDICATE REASON	Not Applicable - Public Report	
PREPARED BY	Catherine Currier, Business Support Officer & Lauren Fear, Director of Corporate Governance	
PRESENTED BY	Professor Donna Mead, Chair	
EXECUTIVE SPONSOR APPROVED	Lauren Fear, Director of Corporate Governance	
REPORT PURPOSE	FOR NOTING	
COMMITTEE/GROUP WHO HAVE RECEIVED OR CONSIDERED THIS PAPER PRIOR TO THIS MEETING		
COMMITTEE OR GROUP	DATE	OUTCOME
N/A		
ACRONYMS		

1. SITUATION/BACKGROUND

1.1 This report provides information to the Board from the Chair.

1.2 Issues addressed in this report cover the following:

- Board Briefing Sessions
- International Nursing Day
- Introduction Meeting with New Staff
- Cardiff Community Health Council and Velindre University NHS Trust Liaison Meeting
- National Advancing Healthcare Award
- Triennial Review of University Trust Status
- Annual Board Governance and Effectiveness Assessment
- Chair End of Year Appraisal

2. ASSESSMENT / SUMMARY OF MATTERS FOR CONSIDERATION

2.1 Board Briefing Sessions

The Chair would like to summarise matters discussed at the recent Board Briefing sessions.

During the session on **29th April 2021** the Board received an update on:

- A demonstration of the new patient experience system
- Developments in patient engagement
- Latest progress made by Velindre Futures

During the session on **25th May 2021** the Board received an update on:

- Velindre Cancer Services Show and Tell, where the Board were able to virtually meet staff and receive presentations on some exciting recent developments in our services, including information on genomics and DPD enzyme testing, hypofractionation, Virtual Assessment Patient Pathway, Medicines@Home, Ambulatory Care Services and the Siren Study
- Reference design for the new Velindre Cancer Centre
- Advanced Therapies Programme
- Transforming Access to Medicines (TrAMS)
- Forward Programme for Board Briefing sessions 2021/22

2.2 International Nursing Day 12th May 2021

A national celebration day of International Nursing was held on 12th May 2021. The Trust took the opportunity to celebrate the day in both the Velindre Cancer Centre and the Welsh

Blood Service. The Chair and the Chief Executive, along with the Executive Director of Nursing undertook a walkround of the Cancer Centre in the morning. This was followed by a virtual event at which the Heads of Nursing for the Cancer Centre and the Welsh Blood Service took the opportunity of celebrating the achievements of staff. The Chair and Chief Executive were able to pass their congratulations onto staff directly.

2.3 Introduction Meeting with New Staff

The Chair and the Chief Executive met with Dr Solly Thomas, Dr John Joy and Dr Alock Chand, who joined the Trust as International Clinical Fellows. The Chair and the Chief Executive were delighted to welcome Solly, John and Alok to Velindre Cancer Centre and look forward to what the future brings with this collaborative way of working. These clinical fellows will be a huge benefit to staff and patients across Velindre Cancer Centre, improving overall patient experience and at the same providing them with learning and development opportunities. The Chair and Chief Executive gave thanks to the Velindre Cancer Centre's Advancing Radiotherapy Fund, who have supported this fellowship.

2.4 Cardiff Community Health Council and Velindre University NHS Trust Liaison Meeting

The Chair and the Chief Executive meet with Stephen Allan and Amy English (Deputy Chief Officer) on the 19th May 2021, as part of a programme of quarterly meetings. The meeting provided the Trust with an opportunity to discuss the Trust's COVID-19 recovery and forward plans; the Trust's current service position and the public engagement plans around the Transforming Cancer Services Programme. The Trust welcomes the opportunity have these regular meetings with the Community Health Council in providing an important link between the Trust and our service users.

2.5 National Advancing Healthcare Award

The Chair is thrilled to announce a new Therapy clinic has been recognised with a National Advancing Healthcare Award for innovation in neuro-rehabilitation. As part of sharing the success with other neuro-oncology services, it is planned to provide two presentations to the Annual British neuro-oncology conference, so that equity of services can be propagated across the UK and beyond.

As the Trust is aware Neuro-oncology patients present with unique, complex and holistic needs and national guidelines recommend these patients receive proactive and cohesive care from the multidisciplinary team, to anticipate and treat rapidly changing symptoms. The service was aware there were unmet Allied Health Professional needs, with delays, fragmentation and duplication in care. Following a successful bid to the Welsh Government's Outpatient Transformational funds Strategy the service secured designated

Allied Health Professionals and the clinical nurse specialist to run the clinic in 2020. Extensive benchmarking has shown the clinic is the first of its kind in the UK, putting the service and Trust at the forefront of delivering patient-centred care.

2.5 Triennial Review of University Trust Status

Welsh Government have recently completed a review of activity and progress by Health Boards and Trusts which have University designation. As updated previously, the Trust presented on our achievements and plans across: research and development; training and education; and innovation. This was not a reassessment process, but the Trust has received a letter from Welsh Government, which says that it was encouraging to see significant progress across all organisations during the last three years. The expert panel particularly noted the inter-connectedness of the Trust's university activity as outlined in the presentation. The Chair would like to thank everyone who participated, not only in the review event but all those who created partnerships, supported students and undertook research and innovation which resulted in having a very good story to tell.

This was the last 'triennial review' of university designation. The Integrated Medium Term Plan framework to be issued later this year will incorporate 'university' activity as part of the regular planning and performance management cycle. University organisations will also be required to provide a brief 'mid-year update' on university activity, by the end of September in each year, starting September 2022.

2.6 Annual Board Governance and Effectiveness Assessment

The Trust Board undertook an annual self-assessment of its effectiveness, which forms part of the Trust's Accountability Report's Governance Statement. This meeting was chaired by the Trust's Chair.

The Chair would like to thank the Trust Board for their input prior to and during the session and the valuable discussion will help shape the further developments in our governance and ways of working over the next period.

2.7 Chair End of Year Appraisal

The Chair would like to note that her end of year appraisal with the Health and Social Care Minister will be in July, with the process being to submit a written assessment against objectives in advance. The Chair will keep the Board appraised of feedback from this process.

3.0 Impact Assessment

QUALITY AND SAFETY RELATED HEALTHCARE STANDARD	There are no specific quality and safety implications related to the activity outlined in this report.
	Governance, Leadership and Accountability
	If more than one Healthcare Standard applies please list below:
EQUALITY IMPACT ASSESSMENT COMPLETED	Not required
LEGAL IMPLICATIONS/ IMPACT	There are no specific legal implications related to the activity outlined in this report.
FINANCIAL IMPLICATIONS / IMPACT	There is no direct impact on resources as a result of the activity outlined in this report.

4.0 RECOMMENDATION

The Board is asked to **NOTE** the content of this update report from the Trust Chair.

TRUST BOARD

CHIEF EXECUTIVE'S REPORT

DATE OF MEETING	08/06/21	
PUBLIC OR PRIVATE REPORT	Public	
IF PRIVATE PLEASE INDICATE REASON	Not Applicable - Public Report	
PREPARED BY	Catherine Currier, Business Support Officer & Lauren Fear, Director of Corporate Governance	
PRESENTED BY	Steve Ham, Chief Executive	
EXECUTIVE SPONSOR APPROVED	Steve Ham, Chief Executive	
REPORT PURPOSE	FOR NOTING	
COMMITTEE/GROUP WHO HAVE RECEIVED OR CONSIDERED THIS PAPER PRIOR TO THIS MEETING		
COMMITTEE OR GROUP	DATE	OUTCOME
N/A		Choose an item.

1. SITUATION/BACKGROUND

This reports provides information to the Board from the Chief Executive.

Issues addressed in this report cover the following;

- Vaccination Programme
- International Nursing Day
- Presentation to Prostate Cancer Support Group

- Changes to Executive Director Team
- Executive Team Equality Ambassadors

2. ASSESSMENT / SUMMARY OF MATTERS FOR CONSIDERATION

2.1 Vaccination Programme

One of the critical factors in the fight back against Covid-19 has been the nationwide Covid-19 vaccination programme. Velindre has played an important role in this and in turn protecting frontline NHS staff, patients and some of the population of Wales.

The Chief Executive would like to again acknowledge and thank those involved in this extraordinary Trust-wide effort - from those who have been on the ground booking in patients, those managing the supporting technology, undertaking one of the many roles at vaccination sessions, on the planning team and also the staff who have had to continue to work so hard in their departments across the Trust, in order to enable their colleagues to support this work. The Trust has given 13,677 Covid-19 vaccines, with no doses wasted across the Trust.

2.2 International Nursing Day 12th May 2021

A national celebration day of International Nursing was held on 12th May 2021. The Trust took the opportunity to celebrate the day in both the Velindre Cancer Centre and the Welsh Blood Service. In addition to the information provided in the Chair's Report the Chief Executive visited the Welsh Blood Service.

2.3 Presentation to Prostate Cancer Support Group

The Chief Executive and Dr Jacob Tanguay, Consultant Oncologist and Urology Clinical Lead were asked to undertake a presentation to the Cardiff Prostate Cancer Support Group on 10th May 2021. The Chief Executive provided the support group with information on the developments in the new Velindre Cancer Centre and across the Trust. Dr Tanguay presented to the Prostate Cancer Group on development in treating urological cancer and the potential for future treatment developments. Both presentations were welcomed by the Group, who found both presentations to be informative and praised the enthusiasm of both presenters.

2.4 Changes to Executive Director Team

The Chief Executive would like to formally make the Board aware that the Executive Director of Finance, Mark Osland, has announced that he will be leaving the Trust in the

autumn. There will be many opportunities to thank Mark for his contribution to the Trust over the coming months but I'm sure we would all want to thank Mark for his contribution in helping the development of the Trust over the years.

The recruitment process will soon be underway and further updates will be provided at the next Trust Board meeting.

2.5 Executive Equality Ambassadors

The Executive Management Board approved a proposal to demonstrate the Trust commitment to Equality, Diversity and Inclusion from the top down by aligning each member of the Executive Team to an area of work or protected characteristic. Welsh Language has also been included within this work.

The Equality Ambassadors will champion and demonstrate leadership in progressing and raising awareness in their area, within the organisation but also with the Board. They will be supported by a member of the Workforce and OD team also working on the same topic. The Trust Equality and Diversity Manager is supporting both the Executive Team member and WOD team leads through facilitation of specialised training and ongoing support.

The themes have been allocated as following:

Chief Executive	Sexual Orientation & Welsh
Interim Chief Operating Officer	Sex/gender
Director of Corporate Governance and Gender identity (Gender reassignment) Chief of Staff	
Executive Director of Finance	Pregnancy & Maternity and Marriage & Civil partnership
Executive Medical Director	Race
Executive Director of Nursing, Allied Age Health Professionals and Health Scientists	
Executive Director of Organisational Religion Development and Workforce	
Director of Strategic Transformation, Disability Planning & Digital	
3. IMPACT ASSESSMENT	

QUALITY AND SAFETY IMPLICATIONS/IMPACT	There are no specific quality and safety implications related to the activity outlined in this report.
RELATED HEALTHCARE STANDARD	Governance, Leadership and Accountability



GIG
CYMRU
NHS
WALES

Ymddiriedolaeth GIG
Prifysgol Felindre
Velindre University
NHS Trust

	If more than one Healthcare Standard applies please list below:
EQUALITY IMPACT ASSESSMENT COMPLETED	Not required
LEGAL IMPLICATIONS / IMPACT	There are no specific legal implications related to the activity outlined in this report.
FINANCIAL IMPLICATIONS / IMPACT	There is no direct impact on resources as a result of the activity outlined in this report.

4. RECOMMENDATION

The Board is asked to **NOTE** the content of this update report from the Chief Executive.



TRUST BOARD

ACCOUNTABILITY REPORT & ANNUAL ACCOUNTS 2020-21

DATE OF MEETING	8 th June 2021
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PUBLIC OR PRIVATE REPORT	Public
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IF PRIVATE PLEASE INDICATE REASON	Not Applicable - Public Report
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PREPARED BY	<ul style="list-style-type: none">Claire Bowden, Head of Financial OperationsEmma Stephens, Head of Corporate GovernanceSue Thomas, Deputy Director of OD & Workforce
PRESENTED BY	<ul style="list-style-type: none">Mark Osland, Executive Director of FinanceLauren Fear, Director of Corporate Governance & Chief of Staff
EXECUTIVE SPONSOR APPROVED	<ul style="list-style-type: none">Mark Osland, Executive Director of FinanceLauren Fear, Director of Corporate Governance & Chief of Staff

REPORT PURPOSE	FOR APPROVAL
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COMMITTEE/GROUP WHO HAVE RECEIVED OR CONSIDERED THIS PAPER PRIOR TO THIS MEETING		
COMMITTEE OR GROUP	DATE	OUTCOME
Audit Committee	08/06/2021	Pending

ACRONYMS	
AW	Audit Wales
HM	Her Majesty
WG	Welsh Government

1. SITUATION/BACKGROUND

- 1.1 In line with Welsh Government and HM Treasury Guidance, the Trust has produced an Accountability Report (Appendix 1) and Annual Accounts (Appendix 2) for the financial reporting period 2020-21.
- 1.2 The Final Annual Report and Accounts will be submitted to Welsh Government by Friday 11 June 2021 as a single unified document.
- 1.3 The Annual Report will be presented at the Trust's Annual General Meeting (AGM) on the 28th July 2021.

2. ASSESSMENT / SUMMARY OF MATTERS FOR CONSIDERATION

- 2.1 In line with Welsh Government and HM Treasury Guidance, the Trust has produced an Accountability Report for the financial reporting period 2020-21. The purpose of the Accountability Report, which sits within the suite of Annual Report documents, is to report to the National Assembly for Wales in respect of the key accountability requirements and captures the following key areas:

1. Corporate Governance Report

2. Financial Accountability Report

3. Remuneration and Staff Report

4. A Parliamentary Accountability and Audit Report

- 2.2 The Annual Accounts outline the financial performance up to year end 31st March 2021.
- 2.3 The Trust Governance Statement, which is contained within the Accountability Report, is supported by a separate Governance Statement from the Director of NHS Wales Shared Services Partnership and a Governance Compliance Statement signed by the Director of the NHS Wales Informatics Service and the Director of Health Technology Wales. These are not contained within the Annual Report, however, are available from the Director of Corporate Governance.
- 2.4 The Accountability Report has been reviewed in draft form at various stages by the Trust, Audit Wales and Welsh Government during April - June 2021. Any comments from these reviews have been incorporated as appropriate.

3. IMPACT ASSESSMENT

QUALITY AND SAFETY IMPLICATIONS/IMPACT	Yes (Please see detail below)
	The suite of Annual Report Documents are intended for the public, and provide information in an honest and transparent way about the services provided by the Trust.
RELATED HEALTHCARE STANDARD	Governance, Leadership and Accountability
	If more than one Healthcare Standard applies please list below:
EQUALITY IMPACT ASSESSMENT COMPLETED	Yes
	An Equality Impact Assessment will be completed by the 31 st July 2021.
LEGAL IMPLICATIONS / IMPACT	There are no specific legal implications related to the activity outlined in this report.
FINANCIAL IMPLICATIONS / IMPACT	Yes (Include further detail below)
	The Accountability Report will be translated in Welsh which will have a cost implication for translation.

4. RECOMMENDATION

The Trust Board is asked to:

- **NOTE** the contents of the Accountability Report and the Annual Accounts, Letter of Representation (Appendix 1), and Trust Response to Audit Wales regarding Trust Governance and Management Arrangements (Appendix 2).
- **NOTE** the National Audit Office (NAO) Fact Sheet on Governance Statements (Appendix 3) which has been reviewed to ensure best practice has been taken into consideration in the development of the Governance Statement section of the Accountability Report.
- **APPROVE** the Accountability Report and Annual Accounts for 2020-21.

Next Steps:

The Accountability Report in conjunction with the Financial Accounts will be submitted to Welsh Government by Friday 11 June 2021.

Velindre University NHS Trust

Accountability Report 2020-2021



GIG
CYMRU
NHS
WALES

Ymddiriedolaeth GIG
Prifysgol Felindre
Velindre University
NHS Trust



Canolfan Ganser Felindre
Velindre Cancer Centre



Gwasanaeth Gwaed Cymru
Welsh Blood Service

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VELINDRE UNIVERSITY NHS TRUST SCOPE OF RESPONSIBILITY

Velindre University NHS Trust provides specialist services to the people of Wales. The operational delivery of services is managed through Velindre Cancer Centre and the Welsh Blood Service.

Velindre University NHS Trust delivers specialist cancer services for South East Wales using a hub and spoke model. The hub of our specialist cancer services is Velindre Cancer Centre. This is a specialist treatment, teaching, research and development centre for non-surgical oncology. We treat patients with chemotherapy, Systemic Anti-Cancer Treatments (SACTs), radiotherapy and related treatments, together with caring for patients with specialist palliative care needs.

The Welsh Blood Service plays a fundamental role in the delivery of healthcare in Wales. It works to ensure that the donor's gift of blood is transformed into safe and effective blood components, which allow NHS Wales to improve quality of life and save the lives of many thousands of people in Wales every year.

The Trust Board is accountable for Governance, Risk Management, and Internal Control for those services directly managed, and those managed via hosting arrangements. As Accountable Officer, the Chief Executive has responsibility for maintaining appropriate governance structures and procedures as well as a sound system of internal control that supports the achievement of the organisation's policies, aims and objectives, whilst safeguarding the public funds and the organisation's assets for which the Chief Executive is personally responsible. These are carried out in accordance with the responsibilities assigned by the Accounting Officer of NHS Wales.

The annual report outlines the different ways the organisation has had to work both internally and with partners in response to the unprecedented pressure in planning and providing services. It explains arrangements for ensuring standards of governance are maintained, risks are identified and assurance has been sought and provided. Where necessary additional information is provided in the sections of the Annual Governance Statement, however the intention has been to reduce duplication where possible. It is therefore necessary to review other sections in the Annual Report alongside this Annual Governance Statement.

Throughout 2020/21, Velindre University NHS Trust and NHS Wales has faced unprecedented and increasing pressure in planning and providing services to meet the needs of those who are affected by COVID-19, details of the impact on delivery of services is provided in the Performance Report Overview, Section 3.

The required response has meant the whole organisation has had to work very differently both internally and with our staff, partners and stakeholders and it has been necessary to revise the way the governance and operational framework is discharged. In recognition of this, Dr. Andrew Goodall, Director General Health and

Social Services/NHS Wales Chief Executive wrote to all NHS Chief Executives in Wales, with regard to “COVID-19 Decision Making and Financial Guidance”. The letter recognised that organisations would be likely to make potentially difficult decisions at pace and without a firm evidence base or the support of key individuals, which under normal operating circumstances would be available. Nevertheless, the organisation is still required to demonstrate that decision-making has been efficient and will stand the test of scrutiny with respect to compliance with Managing Welsh Public Money, demonstrating Value for Money after the COVID-19 crisis has abated, and the organisation returns to more normal operating conditions.

To demonstrate this, Velindre University NHS Trust is recording how the effects of COVID-19 have impacted on any changes to normal decision making processes. Where relevant these, and other actions taken have been explained within this Annual Governance Statement.

During the reporting period 2020-2021, Velindre University NHS Trust also hosted three organisations, which are explained in more detail below. Directors of the Hosted Organisations are bound by an Annual Governance Compliance Statement (or their own Annual Governance Statement in the case of NHS Wales Shared Services Partnership) with the Velindre University NHS Trust Chief Executive and in accordance with the individual hosting agreements with Velindre University NHS Trust. Organisations hosted by Velindre University NHS Trust are:

~~NHS WAL ES SHAR ED SER VIC ES PAR TN ER SH IP (N WSS P)~~

On 11 May 2012, the Velindre National Health Service Trust Shared Services Committee (Wales) Regulations 2012 No.1261 (W.156) was laid before the National Assembly for Wales and came into force on 1 June 2012. The NWSSP is a dedicated organisation that supports the statutory bodies of NHS Wales through the provision of a comprehensive range of high quality, customer focused support functions and services.

NWSSP is hosted by Velindre University NHS Trust via a formal Hosting Agreement, signed by each statutory organisation in NHS Wales. The Director of NWSSP holds Accountable Officer status and holds a separate Accountability Statement with the Director General for Health in the Welsh Government. The Director of NWSSP produces and signs his own Annual Governance Statement to support the Trust Chief Executive in signing the Velindre University NHS Trust Annual Governance Statement.

NHS WAL ES INFOR MAT IC S SER VI CES (N WIS)

NWIS operated under the direction of the Deputy Director, Digital Health and Care of the Welsh Government and was responsible for both the strategic development of Information Communications Technology (ICT) and the delivery of operational ICT

services and information management across NHS Wales. NWIS had a national remit to support NHS Wales, make better use of scarce skills and resources, and facilitate a consistent approach to health informatics and the implementation of common national systems. The Director of NWIS was accountable to the Deputy Director, Digital Health and Care of the Welsh Government.

The Director was required to sign an Annual Governance Compliance Statement to support the Trust Chief Executive in signing the Velindre University NHS Trust Annual Governance Statement.

On 30 September 2019, the Minister for Health & Social Services announced that the NHS Wales Informatics Service (NWIS) would transition from part of Velindre University NHS Trust to a new Special Health Authority (SHA) reflecting the importance of digital and data in modern health and care. The new organisation is a Special Health Authority, like the recently established Health Education and Improvement Wales. It will have an independent Chair and Board, appointed by Welsh Ministers.

The Trust worked closely with colleagues in Welsh Government and NWIS to prepare for the transition, ensuring that the appropriate legal, governance, workforce and financial processes were in place, providing a smooth transition on 1 April 2021.

H E A L T H T E C H N O L O G Y W A L E S (H T W)

The Trust received grant funding to continue the operation of Health Technology Wales during 2019-2020. HTW is funded by Welsh Government under the Efficiency through Technology Programme. HTW was established to facilitate the timely adoption of clinically and cost effective health technologies in Wales, working with, but independently of, NHS Wales. Its remit covers all health technologies that are not medicines. This could be medical devices, surgical procedures, telemonitoring, psychological therapies, rehabilitation or any health intervention that is not a medicine.

HTW independently critically assesses the best available international evidence about the clinical and cost effectiveness of a health technology. This evidence is reviewed by experts and the HTW Appraisal Panel to put the evidence into the Welsh context. HTW also coordinates a Front Door process to support health technology developers to navigate NHS Wales. As well as its Front Door and appraisal functions, HTW also has roles in horizon scanning, evaluating uptake and disinvestment of technologies and providing advice to health technology developers. It does this in partnership with other organisations in NHS Wales to ensure there is no duplication of work and sharing of limited skilled assessment resources. The Director signs an Annual Governance Compliance Statement to support the Trust Chief Executive in signing the Velindre University NHS Trust Annual Governance Statement.

SC O P E O F T H E A C C O U N T A B I L I T Y R E P O R T

In line with Welsh Government and HM Treasury Guidance, the Trust has produced an Accountability Report for the financial reporting period 2020 - 2021.

The purpose of the Accountability Report, which sits within the suite of Annual Report documents, is to report to the National Assembly for Wales in respect of the key accountability requirements.

The Accountability Report will be signed and dated by the Trust's Accountable Officer - Chief Executive and is made up of the following four sections:

1. CORPORATE GOVERNANCE REPORT
2. FINANCIAL ACCOUNTABILITY REPORT
3. REMUNERATION AND STAFF REPORT
4. PARLIAMENTARY ACCOUNTABILITY AND AUDIT REPORT

CO R P O R A T E G O V E R N A N C E R E P O R T

The purpose of the Corporate Governance Report is to explain the composition of the Trust and its governance structures and how these support the achievement of the Trust's objectives.

The Corporate Governance Report includes the following sub sections:

- DIRECTORS' REPORT
- THE STATEMENT OF ACCOUNTABLE OFFICERS' RESPONSIBILITIES
- THE STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS
- THE ANNUAL GOVERNANCE STATEMENT

DIR E C T O R S ' R E P O R T

This Directors' report brings together information about the Trust Board including the Independent Members and Executive Directors, the composition of the Trust Board and other elements of its governance and risk management structure. It also includes the disclosures and reporting required by the Trust relating to the day-to-day execution of the Trust's business.

The Trust Board is made up of Executive Directors, who are employees of the Trust, and Independent Trust Board Members (IMs), who were appointed to the Trust Board by the Minister via an open and competitive public appointment process.

CHAIR AND INDEPENDENT MEMBERS OF THE TRUST 2020-2021



Professor Donna Mead, OBE, Chair

Appointment:

Professor Mead was appointed Chair of Velindre University NHS Trust in May 2018.

Area of Expertise:

Education, Partnerships and Collaboration.

Trust Board Committee Membership

Professor Mead Chairs the Trust Board meeting, Remuneration Committee, Advisory Consultant Appointment Committee, Charitable Funds Committee, Research, Development & Innovation Sub-Committee and the Academic Partnership Board.

Champion Role:

Trust Champion for Armed Forces and Veterans, University Trust.

Professor Mead is supported by six other Independent Members.



Mr. Stephen Harries, Interim Vice Chair/Independent Member

Appointment:

Mr. Harries was appointed as an Independent Member of the Trust in April 2017. In November 2018, Mr. Harries was appointed as Interim Vice Chair.

Area of Expertise:

Information Governance & Information Management and Technology.

Trust Board Committee Membership

Mr. Harries is Chair of the Strategic Development Committee and Transforming Cancer Services Programme Scrutiny Sub-Committee. He is a member of the Remuneration Committee and the Quality, Safety & Performance Committee.

Champion Role:

Trust Champion for Digital, Mental Health and Equality.



Professor Donald Fraser, Independent Member

Appointment:

Professor Fraser was appointed as an Independent Member of the Trust in December 2019.

Area of Expertise:

University Representative.

Trust Board Committee Membership

Professor Fraser is a member of the Research, Development & Innovation Sub-Committee, Strategic Development Committee, and the Academic Partnership Board.

Champion Role:

Trust Champion for Research, Development & Innovation.



Mrs. Janet Pickles, Independent Member

Appointment:

Mrs. Pickles was appointed as an Independent Member of the Trust in October 2012.

Area of Expertise:

Quality & Safety.

Trust Board Committee Membership

Mrs. Pickles Chairs the Quality, Safety & Performance Committee and is a member of the Audit Committee, Charitable Funds Committee and the Advancing Radiotherapy Board.

Champion Role:

Trust Champion for Infection, Prevention & Control, Vulnerabilities: Older People, Children & Young People and Violence & Aggression.



Mrs. Hilary Jones, Independent Member

Appointment:

Mrs. Hilary Jones was appointed as an Independent Member of the Trust in March 2020.

Area of Expertise:

Estates & Planning.

Trust Board Committee Membership

Mrs. Jones is a member of the Quality, Safety & Performance Committee, Transforming Cancer Services Programme Scrutiny Sub-Committee and the Advancing Radiotherapy Board.

Champion Role:

Trust Champion for Patient and Donor Experience and Sustainability.



Mr. Gareth Jones, Independent Member

Appointment:

Mr. Jones was appointed as an Independent Member of the Trust in December 2019.

Area of Expertise:

Legal.

Trust Board Committee Membership

Mr. Jones is a member of the Strategic Development Committee, Audit Committee, Transforming Cancer Services Programme Scrutiny Sub-Committee and the NWSSP Audit Committee.

Champion Role:

Trust Champion for Patient Information and Welsh Language.



Mr. Martin Veale, JP, Independent Member

Appointment:

Mr. Veale was appointed as an Independent Member of the Trust in April 2017.

Area of Expertise:

Finance, Audit & Governance.

Trust Board Committee Membership

Mr. Veale is Chair of the Audit Committee (Trust), Audit Committee (NHS Wales Shared Services Partnership) and the Investment Performance Review Committee (which is a Sub-Committee of the Charitable Funds Committee).

Mr. Veale is also a member of the Remuneration Committee and the Charitable Funds Committee.

Champion Role:

Trust Champion for Hosted Organisations and Performance Framework.

EXECUTIVE DIRECTORS (BOARD MEMBERS)



Mr. Steve Ham, Chief Executive (Accountable Officer)

Trust Board Committee Membership

Mr. Ham is a member of the Charitable Funds Committee and attends the Quality, Safety and Performance Committee, Strategic Development Committee, Local Partnership Forum, Remuneration Committee and Advisory Consultant Appointments Committee.



Dr. Jacinta Abraham, Medical Director

Trust Board Committee Membership

Dr. Abraham attends the Quality, Safety and Performance Committee, Strategic Development Committee, Research, Development & Innovation Sub-Committee and Advisory Consultant Appointments Committee.

Lead Function: Medical Director & Research.



Mrs. Nicola Williams, Executive Director of Nursing, AHPs and Health Scientists

Trust Board Committee Membership

Mrs. Williams attends the Quality, Safety and Performance Committee, Strategic Development Committee and Research, Development & Innovation Sub-Committee.

Lead Function: Quality & Safety and Nursing.



Ms. Sarah Morley, Executive Director of Organisational Development & Workforce

Trust Board Committee Membership

Ms. Morley is Joint Chair of the Local Partnership Forum and attends the Strategic Development Committee and the Quality, Safety & Performance Committee.

Lead Function: Organisational Development & Workforce



Mr. Mark Osland, Executive Director of Finance

Trust Board Committee Membership

Mr. Osland is a member of the Charitable Funds Committee and attends the Investment Performance Review Sub-Committee, Strategic Development Committee, Quality, Safety & Performance Committee, the Audit Committee (Trust), the Audit Committee (NWSSP) and the Local Partnership Forum.

Lead Function: Finance and Charitable Funds.

EXECUTIVE TEAM MEMBERS (NON-BOARD MEMBERS)



Mr. Carl James, Director of Strategic Transformation, Planning, & Digital

Responsible for strategic developments and planning and the continuous improvement of performance on behalf of the Trust.

Lead Function: Strategic Transformation, Planning, Digital & Estates.



Mrs. Lauren Fear, Director of Corporate Governance/Board Secretary & Chief of Staff

Principal advisor to the Trust Board and the organisation as a whole on all aspects of governance and ensuring that the Trust meets the standards of good governance set for the NHS in Wales.

Mrs. Fear commenced a fixed term position with the Trust in December 2019 and was appointed on a permanent basis in September 2020.

Lead Function: Governance.



Mrs. Cath O'Brien, Interim Chief Operating Officer

Mrs. O'Brien was appointed as Interim Chief Operating Officer for the Trust in March 2019.

Prior to that position Mrs. O'Brien was the Divisional Director of the Welsh Blood Service.



Mr. Alan Prosser, Interim Director – Welsh Blood Service

Mr. Prosser was appointed as Interim Director for the Welsh Blood Service in March 2019. Prior to that, Mr. Prosser was the Deputy Director of the Welsh Blood Service.

Mr. Prosser is responsible for the operational management of the Service Division.



Mr. Paul Wilkins, Interim Director – Velindre Cancer Centre

Mr. Paul Wilkins was appointed as Interim Director of the Velindre Cancer Centre in November 2019.

As Interim Director of Velindre Cancer Centre, Mr. Wilkins is responsible for the operational management of the Service Division.

Further information in respect of the Trust Board and Committee Activity, the System of Internal Control and the Trust Assurance Framework are captured in the Annual Governance Statement section of this report, which starts on page 19 and Appendix 1 on page 50.

P U B L I C I N T E R E S T D E C L A R A T I O N

Each Trust Board Member has stated in writing that they have taken all the steps that they ought to have taken as a Director in order to make the Trust's auditors aware of any relevant audit information.

All Trust Board Members and Senior Managers within the Trust (including Directors of all Hosted Organisations) have declared any interests in companies, which may result in a conflict with their managerial responsibilities. No material interests have been declared during 2020-2021: a full register of interests for 2020-2021 is available upon request from the Director of Corporate Governance & Chief of Staff.

D I S C L O S U R E S T A T E M E N T S

The Trust would make the following disclosure statements for 2020-2021:-

During 2020/2021, the Trust reported two personal data breach incidents to the Information Commissioners Office (ICO). Both notifications were submitted in line with the 72 hour breach reporting timeframe.

1. **Reported April 2020** - In the distribution of shielding letters requesting vulnerable patients to shield themselves during the COVID 19 pandemic, approx. 13,000 letters were posted to a previous address, where the intended recipient had recently moved. Investigation identified cause was due to a processing error within the NHS Wales Informatics Service (NWIS). The letters contained limited personal data; in total the intended recipient's name and (previous) address - no health information specific to individuals was included. ICO notified, and investigation completed. ICO closure email received in June 2020. No regulatory action taken by the ICO against the Trust.
2. **Reported February 2021** – NHS Wales Informatics Service (NWIS) alerted to documents created across the NHS Wales Microsoft 365 tenancy were globally available to all those organisations that are part of that arrangement, to include Health Boards, Trusts and Primary Care services. Investigation identified issue related to permissions applied to Microsoft Teams and the associated SharePoint sites. Access to the documents were contained to NHS Wales' accounts rather than the information being readily available. ICO notified, and investigation completed. ICO closure email received in February 2021. No regulatory action taken by the ICO against the Trust.

Whilst there is no requirement to comply with all elements of the Corporate Governance Code for Central Government Departments, Velindre University NHS Trust has undertaken an assessment against the main principles as they relate to an NHS public sector organisation in Wales. This assessment has been informed by the Trust's assessment of governance undertaken by the Trust Board in April 2021 and also evidenced by internal and external audits. The Trust is complying with the main principles of the Code where applicable, and follows the spirit of the Code to good effect and is conducting its business openly and in line with the Code. The Trust Board recognises that not all reporting elements of the Code are outlined in this Governance Statement but are reported more fully in the Trust's wider Annual Report.

There have been no reported/identified departures from the Corporate Governance Code during the year.

Welsh Government have an ambition for the public sector to be carbon neutral by 2030. This ambition sits alongside the Environment (Wales) Act 2016 and Wellbeing of Future Generations (Wales) Act 2015 as legislative drivers for decarbonisation of the Public Sector in Wales.

The Trust's five year Carbon Reduction Strategy continues to be implemented throughout the Trust and its hosted organisations. As part of this Strategy, carbon reduction projects have been identified and prioritised for implementation. For the period 2020–2021, the Trust Sustainable Development Plan has been embedded into the Integrated Medium Term Plan development process and Strategic Objectives have been merged with the Trust's Well-being Goals.

The Trust will continue work on carbon footprint monitoring in line with the recommendations of the NHS Wales Carbon Footprint document. In particular, it will review CO₂e emissions arising from the use of electricity consumption (Scope 2), and those emissions associated with the use of Fleet vehicles (Scope 3).

The Trust recognises that its day to day operational activities have a direct impact upon the environment and is committed to meeting the legislative drivers set out by Welsh Government.

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.

**S T A T E M E N T O F T H E C H I E F E X E C U T I V E ' S
R E S P O N S I B I L I T I E S A S A C C O U N T A B L E O F F I C E R
O F
V E L I N D R E U N I V E R S I T Y N H S T R U S T**

The Welsh Ministers have directed that the Chief Executive should be the Accountable Officer to the Velindre University NHS Trust.

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.

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 by:

Mr. Steve Ham
Chief Executive

Dated: 8 June 2021

ANNUAL GOVERNANCE STATEMENT

THE TRUST'S ASSURANCE FRAMEWORK

This Governance Statement details the arrangements in place for discharging the Chief Executive's responsibility to manage and control Velindre University NHS Trust's resources, and the organisations, which it hosts, during the financial year 2020-2021.

Due to the unique Accountable Officer status of the Managing Director of Shared Services Partnership (NWSSP), an Annual Governance Statement for NWSSP has been requested and submitted by the Director of NWSSP to the Trust's Chief Executive. This is available from the Director of Corporate Governance & Chief of Staff upon request and helps to inform this report.

The Directors from the other bodies hosted by Velindre University NHS Trust where appropriate have signed and submitted a '*Governance Compliance Statement*' detailing and declaring compliance with Velindre University NHS Trust governance arrangements which is submitted at the end of March each year to the Velindre University NHS Trust Chief Executive to provide assurance that Trust policy, systems and processes are being complied with to support good governance.

DISCHARGING RESPONSIBILITIES

The Trust Board has been constituted to comply with the National Health Service Wales, Velindre University NHS Trust (Establishment) Order 1993 No.2838 and subsequent Amendment Orders (1995 No. 2492, 1999 No.808, 1999 No 826, 2002 No.442 (W.57) and 2002 No.2199 (W.219 2009 No.2059, 2012 No.1261, 2012 No.1262, 2015 No.22, 2017 No.912, 2018 No.887). In addition to responsibilities and accountabilities set out in terms and conditions of appointment, Trust Board members also fulfil a number of "champion" roles where they act as ambassadors for these matters (detailed on page 8-11). The Trust Board discharges its responsibilities through its Committees (listed in the table on page 20) and scheme of delegation, which is set out in its Standing Orders.

During the reporting period 2020-21, the Trust undertook a comprehensive review of its Board Committee structure, details of which are provided in the Performance Report Overview, Section 9. **‘Decision making and governance’**.

There are nine Committees/Partnership Forums reporting directly to the Trust Board, which is supported by sub-Committees/groups in the discharge of functions:

Committee	Sub Committee
Advisory Consultant Appointments Committee	N/A
Audit Committee (Trust)	N/A
Audit Committee (For Shared Services to consider NHS Wales Shared Services Partnership)	N/A
Charitable Funds Committee	Investment Performance Review Sub-Committee
Quality, Safety & Performance Committee	<ul style="list-style-type: none"> • Research, Development and Innovation Sub-Committee (for R&D activity) • Transforming Cancer Services Programme Scrutiny Sub-Committee (for programme delivery)
Remuneration Committee	N/A
Strategic Development Committee	<ul style="list-style-type: none"> • Research, Development and Innovation Sub-Committee (for Innovation activity) • Transforming Cancer Services Programme Scrutiny Sub-Committee (for future direction setting)
Local Partnership Forum	N/A
Academic Partnership Board	N/A

At a local level, the Trust Board has agreed Standing Orders (SOs) for the regulation of proceedings and business.

The *Trust Standing Orders and Standing Financial Instructions* have been adopted from the Welsh Government's Model Standing Orders for NHS Trusts in Wales and are designed to translate the statutory requirements set out in the *National Health Service Trusts (Membership and Procedures) Regulations 1990 (1990/2024)* into day to day operating practice. Together with the adoption of a scheme of matters reserved to the Trust Board; a scheme of delegations to officers and others; and Standing Financial Instructions, the SOs provide the regulatory framework for the business conduct of the Trust and define its 'ways of working'.

These documents, together with the range of policies set by the Trust Board make up the Governance and Accountability Framework. The Standing Orders have been periodically updated to account for alterations in year; details in respect of the reviews are outlined on page 25.

The dates the Trust Board and Committees met during the period 2020-2021 are captured in Appendix 1 on page 50.

It is acknowledged that in these unprecedented times, there are limitations on Boards and Committees being able to physically meet where this is not necessary and can be achieved by other means. In accordance with the Public Bodies (Admission to Meetings) Act 1960, the organisation is required to meet in public. As a result of the public health risk linked to the pandemic there have been limitations on public gatherings and has not therefore been possible to allow the public to attend meetings of our Board and Committees from 24 March 2020. To ensure business is conducted in as open and transparent a manner as possible during this time, the following actions have been taken:-

- The Trust is inviting all regular attendees to its Public Board and Committees via technological solutions.
- The meetings are closed session i.e. public are not invited to join the meetings in person. This allows the Trust to act in accordance with social distancing guidelines. From July 2020, the Trust has held its virtual Trust Board meeting in public. The public are able to observe the meeting from the widely available video conferencing platform Zoom. A video recording of the meetings is also made available on the website.
- To retain openness and transparency during this time the Trust is committed to ensuring that the papers are published in advance of the meeting and the minutes or a briefing shortly after the meeting has taken place.
- All Board Committees other than Audit, Quality & Safety Committee and Transforming Cancer Services (TCS) Scrutiny Committee, were stood down during the first wave of the pandemic, until the end of October 2020. A recovery plan was

developed in parallel with two principal aims, namely:

- i. To ensure we continue to manage and oversight those areas and actions that we needed to.
- ii. Structured way of cataloguing everything else that was placed in the “Recovery Log,” so that this could all be tracked and then re-started in a planned and controlled way.

Further details of how the Trust adapted governance arrangements to maintain transparency, support agile decision-making and ensure effective scrutiny during the response to COVID-19 are provided in the Performance Report Overview, Section 9. **‘Decision making and governance’**.

C O M M I T T E E A C T I V I T Y

In line with Standing Orders, each Committee formally reports annually to the Trust Board on its work during the year detailing the business, activities, attendance and main issues dealt with by the Committee in the reporting year. Copies of the Committee Annual Reports for 2020, which outline the activity of each of the Committees for the year ending 31 December 2020, are available on the Trust Internet site [click here](#).

In addition, each Trust Board meeting receives a highlight report outlining the issues and activity considered and addressed by each Committee at its last meeting. The Trust has a process where committees schedule a pause at the end of each meeting to discuss the key issues they want to raise with the Trust Board through the highlight report process under the following headings:

- Escalate/Alert
- Advise
- Assure
- Inform

The highlight reports are presented to the Trust Board by the Committee Chair. Similarly to the annual reports the highlight reports are available within the Trust Board papers on the Trust’s Internet site [click here](#) or from the Head of Corporate Governance.

The Terms of Reference for each Committee are reviewed annually in line with the Trust Standing Orders, or more frequently if deemed necessary by the Committee or Trust Board. The Terms of Reference for all Committees are available from the Head of Corporate Governance or can be found in the Trust Standing Orders and Standing Financial Instructions.

Key highlights and issues considered by the Trust Board and its Committees during 2020-2021 are included at Appendix 1 of the Governance Statement.

Minutes and papers of all Public Trust Board and Committee meetings are published on the Trust Internet site [click here](#).

During 2020-21, key aspects of Trust Board business and issues delegated to the Audit Committee for consideration and advice, including action taken included but were not limited to the following:

- Agreement of the Internal and External Audit Plans for the year.
- Receiving Internal and External Audit Reports and subsequently monitoring progress against Audit Action Plans. The Audit Action Plan, which tracks the implementation of the recommendations of Audits is regularly reviewed by the Audit Committee.
- Agreeing the Annual Counter Fraud Plan and monitoring counter fraud activities.
- Regular review of the Declaration of Interests and Gifts, Hospitality, Sponsorship and Honoraria Register.
- Monitoring the development and draft content of the Trust's Accountability Report.
- Monitoring of Governance Arrangements across the organisation, including hosted bodies.
- Monitoring overall risk management process by reviewing the Trust Risk Register at each meeting.

Further detail in respect of the activity of the Audit Committee during 2020- 2021 is captured in Appendix 1 on page 50.

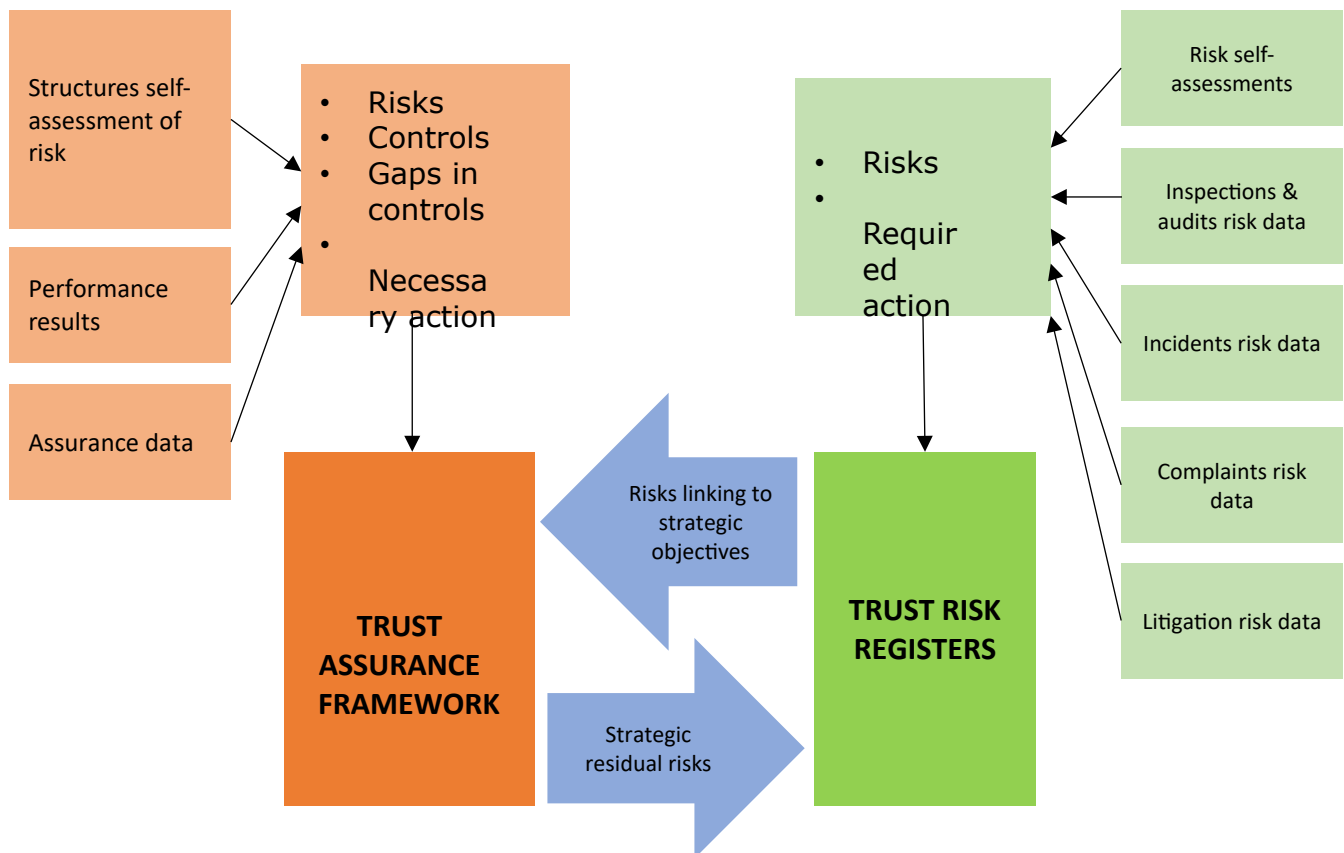
BO AR D ASSUR AN CE FR AME WOR K

The Audit Committee and Trust Board approved a new Board Assurance Framework (BAF) in September 2020. It was agreed to name this document and process the Trust Assurance Framework (TAF) to firstly reflect the fact that the process should be of value for the whole Trust and secondly to reflect the ambition of this framework to, in time, effectively link with both the Quality & Safety and Performance frameworks.

The TAF enables the Board to identify and understand principal risks to achieving its strategic objectives; receive assurance that suitable controls are in place to manage these risks, and where improvements are needed suitable action plans are in place and being delivered; and to provide an assessment of the risk to achieving the related objective.

The TAF is the key source of information that links VUNHST's strategic objectives to risk and assurance, as demonstrated in **Figure 1** below:

Figure 1: Information flows between the risk register & the assurance framework



ENGAGEMENT WITH THE LOCAL PARTNERSHIP FORUM

In support of the Trust Board, the Trust also has a Local Partnership Forum that met twice during 2020-2021, with Joint Chairs who are each nominated from the Trade Union Representatives and Executive Directors. The role of the Local Partnership Forum is to supply the main (but not only) forum within the Trust where the Directors of the Trust and Trade Union Representatives can discuss together and develop appropriate directions and responses to all major service development and change management issues.

Examples of engagement with the Local Partnership Forum during 2020-2021 are outlined in Appendix 1 on page 50.

TRUST BOARD DEVELOPMENT AND EFFECTIVENESS

Trust Board Development Sessions were paused at the outset of the first wave of the COVID-19 pandemic to enable Trust Board meetings to increase in frequency from bi-monthly to monthly with additional fortnightly COVID-19 Board Briefings instigated.

The Trust Board continued to operate on this basis, until August 2020 when Trust Board meetings returned to meeting on a bi-monthly basis and fortnightly briefings stood down. However, following the onset of the second wave of the COVID-19 pandemic Board Briefings were re-established on a fortnightly basis from December 2020 until the end of April 2021, with the new Board Development Programme reinitiated in May 2021.

In addition to the arrangements outlined above, in September 2020, the Trust commissioned an external Board development Programme designed to support the Board and Executive Team in meeting the challenges it is facing in the continually evolving environment within which it is operating. The Programme commenced in October 2020 and covers the following areas of development:

- Building a high performing leadership team
- Strategic decision-making capabilities and prioritisation
- Building organisational capacity and capability including developing a highly effective and business-focused cadre of senior managers
- Challenging areas of conflicting styles and behaviour
- Developing clear strategies for harnessing individual differences to enable the Executive Team to work as a cohesive whole.
- Better understanding organisational dynamics in order to improve matrix working and embed change management capability across a diverse and dispersed organisation.

STANDING ORDERS AND STANDING FINANCIAL INSTRUCTIONS

The Trust approved a revised set of Standing Orders and Standing Financial Instructions for the regulation of proceedings and business to ensure the following issues were addressed:

July 2020 – Temporary Amendments to Model Standing Orders, Reservation and Delegation of Powers.

November 2020 – Amendments to Standing Orders Schedule 3.0, to include the new Quality, Safety and Performance Committee and the Strategic Development Committee Terms of Reference following the establishment of a new Board Committee structure. All other Committee Terms of reference were reviewed and revised for consistency to reflect the new Board Committee model.

TRUST BOARD APPOINTMENTS DURING 2020 -2021

The Trust made the following Trust Board appointments/reappointments:

Independent Members

- Mr. Martin Veale, Independent Member Finance, Audit and Governance commenced his second term with the Trust on the 1 April 2020.
- Professor Donna Mead, Chair commenced her second term with the Trust on the 1 May 2020.
- Mr. Stephen Harries, Interim vice Chair and Independent Member, Information Governance and Digital commenced his third term with the Trust on the 1 May 2021.

Executive Team (Non Board Members)

- Mrs. Lauren Fear was appointed as Director of Corporate Governance on a permanent basis in September 2020. The role of Chief of Staff was included within the Director of Corporate Governance portfolio effective March 2021, for an initial six month trial period.

On 23 March 2020, the Welsh Government suspended all Ministerial Public Appointment campaigns with immediate effect. At the time of this suspension the Trust was due to commence an appointment campaign for a new Independent Member as Mrs. Jan Pickles third term was coming to end on 30 September 2020. Action taken to ensure the Board remained quorate and stable during this time has included an application to the Minister, and subsequently approved, to extend Mrs. Jan Pickles third term until 30 September 2021.

PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

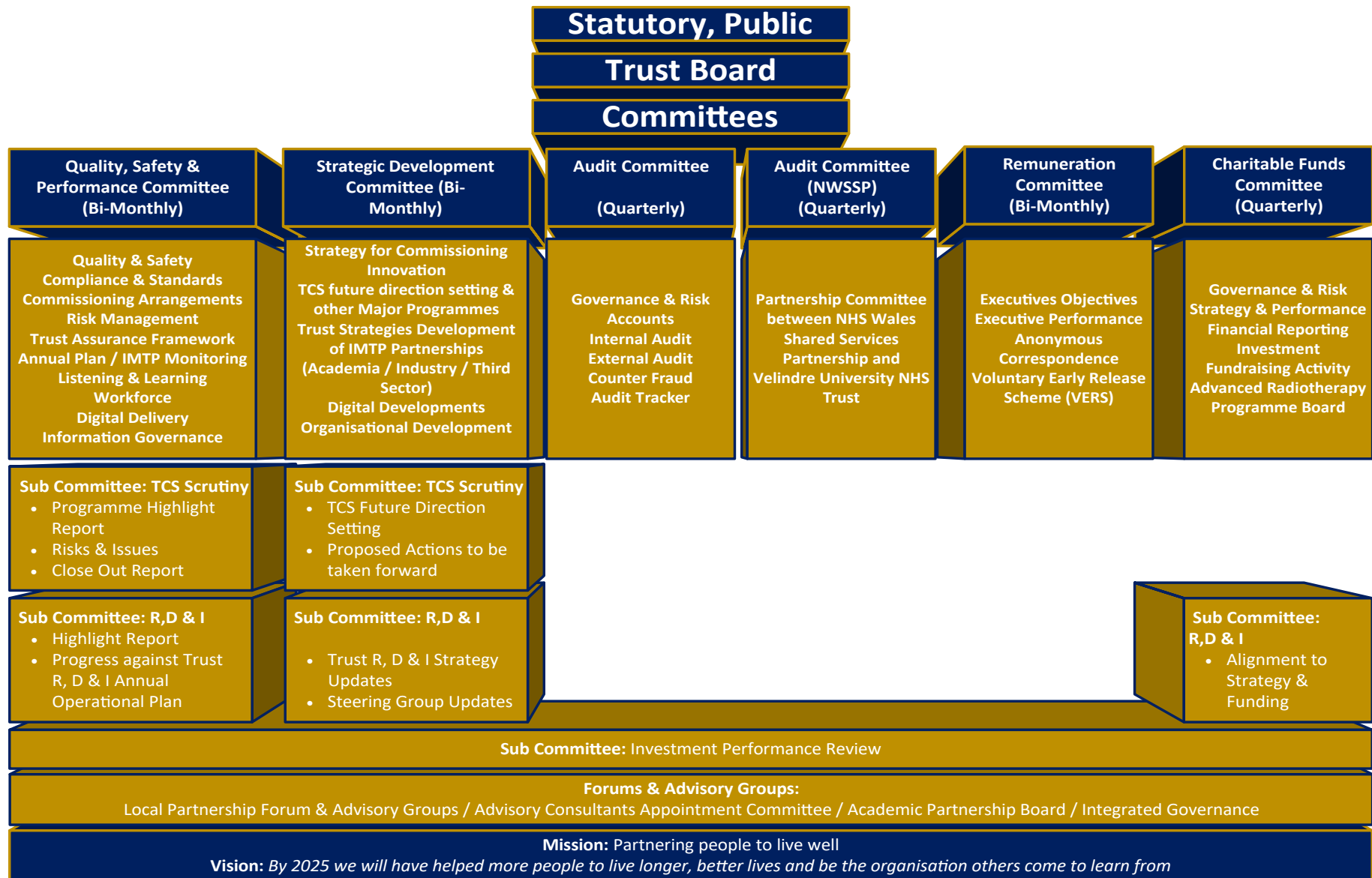
The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risks, it can therefore only provide reasonable and not absolute assurances of effectiveness.

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 ended 31 March 2021, and up to the date of approval of the 2020-2021 annual report and accounts.

The Welsh Government requires that the Trust operates within the wider governance framework set for the NHS in Wales and incorporating the standards of good governance set for the NHS in Wales (as defined within the Citizen Centred Governance principles and Standards for Health Services in Wales), together with its planning and performance management frameworks.

An overarching summary of the Trust's Governance Accountability Framework is illustrated overleaf:

Trust's Governance Accountability Framework



GOVERNANCE OF THE CHARITABLE FUNDS

The Velindre University NHS Trust Board was appointed as Corporate Trustee of the Charitable Funds by virtue of the Velindre National Health Service Trust (Establishment) Order No. 2838 that came into existence on 1st December 1993, and the Trust Board serves as its agent in the administration of the charitable funds held by the Trust.

As part of their induction programme, new Executive Directors and Independent Members of the Trust are made aware of their responsibilities as Board Members of Velindre University NHS Trust and as Corporate Trustees of Velindre University NHS Trust Charity.

The Trust Board as Corporate Trustee is ultimately accountable for charitable funds given to Velindre University NHS Trust Charity. In order to facilitate the administration and management of these funds the Trust Board has established a Charitable Funds Committee (CFC) to provide advice and recommendations to the Board. Committee meetings are held every three months and otherwise as the Committee Chair deems necessary. At least two members must be present to ensure the quorum of the Committee.

The CFC is supported by the Charitable Funds Operational Management Group that meets before each CFC.

The CFC is also supported by an Investment Performance Review - Sub Committee, to oversee the investments made by the Charity.

Further information in respect of the Charitable Funds is available in the Trustee's Annual Report which can be accessed via the Trust website: [click here](#).

HOSTED ORGANISATIONS SYSTEMS OF INTERNAL CONTROL AND ASSURANCE

Hosted organisations utilise the existing Trust's Committee Structure illustrated earlier in this report.

A separate Velindre University NHS Trust Audit Committee is held to consider issues relating specifically to NWSSP, having the same Chair and Independent Membership as the Velindre University NHS Trust Audit Committee. Information relating to the governance arrangements in NWSSP is contained within the Director's Annual Governance Statement to the Velindre University NHS Trust Chief Executive which is available from the Director of Corporate Governance and Chief of Staff upon request.

NWSSP has a 'NHS Wales Shared Services Partnership Committee' which was established as a sub-committee of Velindre University NHS Trust Board in 2012 to comply with Ministerial Directions. The NWSSP Committee has membership from each statutory body in NHS Wales, and is chaired by an Independent Chair. The NWSSP Committee reports to Velindre University NHS Trust Board and all other health body Boards in Wales via their representative member on the Committee. NWSSP have their own Standing Orders which are appended to the Velindre University NHS Trust Standing Orders.

As a result of a number of independent reviews undertaken relating to NWIS, in January 2018 the Trust Board approved an "NWIS Hosting Assurance Requirements Framework", the purpose of which was to clarify the assurance requirements from NWIS to the Velindre University NHS Trust Board as host and how these assurances will be gained from NWIS.

The role of the Audit Committee in respect of this framework is to receive regular, standing agenda reporting on:

1. Internal and External Audit Plans.
2. Internal and External Audit Reports with completed management action plans.
3. Progress reports against audit recommendations (to be highlighted to Welsh Government if progress is deemed unsatisfactory).
4. Risk Register.
5. Compliance and activity governed by the Trust Standards of Behaviour Policy (i.e. Declarations of Interest, Gifts & Hospitality).
6. Single Tender Actions.

This new approach was implemented with effect from the February 2018 Audit Committee and was reviewed and strengthened during March / April 2019. Following the transition of NWIS from its current structure as part of Velindre University NHS Trust to a new Special Health Authority on 1 April 2021, reporting against this Hosting Framework has ceased to be required.

Currently, organisations hosted by Velindre University NHS Trust are able to link with Trust Board Committees and Management Groups where appropriate to ensure assurance is provided for the governance arrangements including statutory compliance for the areas remaining within the Trust's area of responsibility.

C A P A C I T Y T O H A N D L E R I S K

The organisations hosted by Velindre University NHS Trust maintain and manage their own risk registers and comply with the Trust escalation processes to ensure the Trust Board is made aware of any significant relevant risks relating to the Trust Board's responsibilities via the Trust Risk Register as necessary.

Risks relating to hosted organisations will only be escalated to the Velindre University NHS Trust risk register where matters directly affecting the Trust are apparent. Matters relating to service delivery and performance are a matter for hosted bodies to receive, manage, and escalate as necessary to the relevant sponsor body.

The Trust involves its public stakeholders in managing risks that impact on them. For example, there is ongoing public engagement as an integral part of the development process of the Transforming Cancer Services (TCS) Programme and the new Velindre Cancer Centre (nVCC) Project. A series of stakeholder events have been undertaken, and will continue throughout the lifespan of the TCS Programme. Risks from the TCS Programme are reviewed and monitored by the TCS Programme Scrutiny Sub-Committee and are escalated to the Trust risk register in accordance with the Trust risk escalation process. Information on the risks managed and mitigated during 2020-2021 is detailed in the Trust Risk Register which is received by the Trust Board. Trust Board papers are available on the Trust Internet site, via the following link [click here](#).

RISK MANAGEMENT

The Trust has an approved Risk and Assurance Framework and associated Policies in place. The Policies detail a robust risk assessment process to identify, assess and manage organisational risks which are reported on a risk register to the Trust Board, in line with risk appetite levels set by the Trust Board. The underlying risk principles applied throughout this framework are consistent with the overarching principles of HM Treasury's Orange Book 'Management of Risk – Principles and Concepts', 2020; and ISO 31000: 2018 'Risk Management – Guidelines'. The framework also supports the UK Corporate Governance Code 2018 and the Financial Reporting Council's 'Guidance on Risk Management, Internal Control and Related Financial and Business Reporting'.

The refreshed Trust Risk Management Framework, approved by the Trust Board in September 2020 sets out the risk strategy which can be summarised as:

The management of risk is a key factor in the provision of high-quality care to our patients, donors and service users. Of equal importance is the legal duty of the Trust to control any potential risk to staff and the general public, as well as safeguarding the assets of the Trust. It is the responsibility of all staff to be involved in the identification and reduction of risks.

It also sets out risk governance; key accountabilities, roles and responsibilities; risk domains and categories; risk and control interdependencies; risk documentation; risk reporting; and view of implementation, training and support. Alongside the Risk Management Framework, the Trust Board also approved a Risk Management Process document which explains the detail of risk assessment, in terms of risk identification, analysis and evaluation; model for assessing risk treatment and response including how to prepare and implement risk treatment and actions plans; risk recording and reporting processes; and process for risk monitoring and review, including how to assess effectiveness. The full roll out of the newly approved Risk Framework and Risk Processes was paused during the second wave of covid-19 response. As at April 2021 the project to support this was commenced and is due to complete the core implementation and training by August 2021.

The Trust Board is ultimately responsible for overseeing the Trust's risk register and holding the Executive to account for ensuring management action is taken to minimise risk. The Trust Board delegates responsibility to the Trust's Quality, Safety and Performance Committee for overseeing the risk management process and the Trust's Audit Committee retains the oversight to ensure the system of risk management is effective. The overall aim of the Trust's Risk Management approach is to progress a comprehensive risk management programme to ensure that:

- There is compliance with statutory legislation.
- All sources and consequences of risk are identified.
- Risks are assessed and either eliminated or minimised.
- Damage and injuries are reduced, and people's health and well-being is optimised.
- Resources diverted away from patient/service user care to fund risk reduction are minimised.
- Lessons are learnt from concerns in order to share best practice and prevent re- occurrence.

The Trust has a series of controls in place to manage and mitigate these risks.

The Chief Executive, as Accountable Officer for the Trust, has overall accountability and responsibility for having an effective risk management system in place within the Trust, including hosted organisations. The Chief Executive is responsible for meeting all statutory requirements and adhering to guidance issued by the Welsh Government Department of Health & Social Services in respect of governance. Within the Trust's Risk Management Policy, the Chief Executive has set clear measurable risk management objectives for the Executive Directors and Service Directors with delegated responsibility for risk management and governance.

The Director of Corporate Governance & Chief of Staff has organisational lead responsibility for the risk framework to the Chief Executive and the Board. Each Executive Director is responsible for overseeing effective management of risk within their area of responsibility, and Executive Directors are supported in these duties by the Service Directors and Senior Managers across the organisation.

Every member of staff, including clinicians, is responsible for ensuring that their own actions contribute to the wellbeing of patients/service users, staff, visitors and the organisation. They are expected to contribute to the identification, reporting and assessment of risks and to take positive action to manage them appropriately.

Risk management is embedded in Trust decision making and service delivery. This is supported by continually considering and assessing Trust compliance with key clinical guidance including:

- Guidance and technology appraisals from the National Institute for Health and Care Excellence (NICE).
- National Service Frameworks (NSFs).
- National Enquiries for example Confidential Inquiries.
- Patient Safety Alerts.

- Professional Guidelines for example from Royal Colleges.
- Guidelines or standards from other national/local bodies.
- Local and national audit.
- Research & Development.
- Participation in clinical trials.
- Health and Care Standards (Wales).

Risk Management and risk resourcing is managed by Divisional Directors through their business plans. All divisions/departments have processes for assessing risk and risk registers are created as appropriate. Risks are updated and reviewed within the service divisions. The divisional Senior Management Team (SMT) works with their supporting groups/Committees to ensure effective controls are in place for their risks to be managed at a tolerable level.

Risks are referred to the appropriate Committees of the Trust Board for scrutiny and to identify additional control measures. In turn, the Committees provide assurance to the Trust Board that all reasonably practicable steps have been taken to reduce the risk, that effective controls are in place and the risk is being managed at a tolerable level.

TR U S T R I S K R E G I S T E R S

The organisation's risk profile is visible through the Trust Risk Registers. Risks are identified at the commencement of new or amended activities and through the ongoing review of existing risks. Risk assessments are undertaken to assess the impact upon the service and other stakeholders. Public Stakeholders are involved in the assessment of risk through public consultations, Patient Liaison Group representation and Community Health Council at Trust Board and Committee meetings, feedback received in respect of Patient Experience surveys and Donor Forums and learning from Concerns received from patients, donors, relatives and/or carers.

All risks are assessed and awarded a score, informed by potential impact and likelihood. Risks are escalated resulting in the highest level of risk being referred to the Executive Management Trust Board for appraisal prior to inclusion on the Trust's risk register and reported to Trust Board and relevant Trust Board Committee/s. Each risk entered onto the Trust register is given a 'target' score informed by the appetite for the risk, which is the level of risk the Trust Board is prepared to accept before action is deemed necessary to reduce it. The risk appetite is used in decision making to inform the prioritisation of actions and the resources required to mitigate risks on the Trust risk register. The system of record and for risk management is Datix. The Trust is updating the module used in Datix and the revised forms have been aligned to the refreshed framework. This is due for

full roll out by August 2021.

During the period of the first and second waves of the Covid-19, the approach to risk management reporting has been adapted. Risk reporting, through a quality and safety lens, has been a strong feature of Divisional reporting into the Quality, Safety and Performance Committee. Management of Covid-19 related risks has been through the Covid-19 Incident Command Structure and then reported into Trust Board as part of the Covid-19 reporting mechanisms. This has also been captured in the formal planning cycles during the year, approved by the Trust Board. In addition, key risks have been reported into the relevant Committees – for instance regarding Transforming Cancer Services and Research, Development and Innovation. Divisional risks have been reported through each Quality, Safety & Performance Committee. Significant risk matters have also been escalated to the Trust Board during the period, for instance preparing for and after Brexit and changes to the cancer patient management system. The consolidated view of reporting to Trust Board will be recommenced in June 2021. The consolidated view of reporting to Trust Board will be:

Quality Risk Domain:

- Future trends in the toxicity and complexity of treatment and the growing number of patients with comorbidities and side effects from treatment mean that access to critical care for rapidly deteriorating patients and complex early phase trials will continue to be very important. There is therefore a risk that the current clinical pathways may need to be strengthened and reassessed through partnership with Health Boards. There is a current focus on strengthening patient pathways, working with Health Boards, particularly regarding timely critical care access.

Performance & Service Sustainability:

- There is a risk of not adequately planning our workforce in a way that is effectively aligned to service requirements, which could result in not having the right people, in the right place, at the right time and with the right skills, which could impact on the sustainability of service delivery.
- The Digital Health and Care Record Programme presents a risk to cancer services, given its significance as a replacement of the primary patient administration and core cancer treatment system. These system changes have led to a significant re-design of working processes for multiple staff groups, at a time of heightened pressure on all services due to the recovery from Covid-19.
- There is a risk to our ability to provide blood and cancer services at the appropriate volume and in line with national guidance, given the increase in services phase in Health Boards for

cancer and elective procedures during recovery phase from Covid-19.

- Risks have been identified in relocating the Cancer Information System Cymru (CaNISC) from its current data centre. Due to the age of the platform and specifically the legacy nature of the application layer, there are risks that Velindre Cancer Centre would have all of its services being provided from a single data centre. If this data centre was then subject to disruption, this would have the potential to impact on the delivery of cancer services.
- There is a risk of not maintaining adequate blood supply due to an inability to operate blood collection clinics at the same efficiency compared to the pre-Covid 19 approach, due to social distancing and infection prevention control measures.
- The inability to replace the existing Welsh Transplantation and Immunogenetics Laboratory (WTAIL) system by the target date, means there is an ongoing risk that both current and future requests to deliver new WTAIL services will not be able to be supported. This could lead to WTAIL being unable to deliver critical service modernisation that will meet service user expectations.
- All services across NHS Wales are now managing the ongoing and increasing risks of Cyber-attack. The risk to services are multi-dimensional and the Trust recognises that an attack could have the potential to significantly impact service delivery, and the reputation and confidence in our services.

Health & Safety:

- There are a number of health and safety risks at the Velindre Cancer Centre resulting from the age of the building and infrastructure.

Compliance:

- There is a risk to achieving compliance against the Welsh Language Standards within the timescales set by the Welsh Language Commissioner.

Finance:

- There is a risk that the contracting arrangements between Velindre and its Commissioners do not adequately accommodate future service developments and changes in clinical practices and therefore ensure that appropriate funding mechanisms are in place and agreed.

A link to the Trust Board and Committee papers for the period can be found [click here](#).

TRUST ASSURANCE FRAMEWORK

The Trust Assurance Framework defines the purpose as:

The Trust Assurance Framework enables the Board to identify and understand principal risks to achieving its strategic objectives; receive assurance that suitable controls are in place to manage these risks, and where improvements are needed suitable action plans are in place and being delivered; and to provide an assessment of the risk to achieving the related objective.

The Framework lays out the benefits of a Trust Assurance Framework, the barriers to an effective Assurance Framework; the governance and assurance context, including the “three lines of defense”; detail on compiling the Trust Assurance Framework, including strategic objectives, assurance ratings and the risk quantification matrix; and it also explains how the Assurance Framework is operationalised, including scrutiny and challenge.

In November 2020 the Strategic Development Committee endorsed the Executive’s proposal of the strategic risks to the organisation to populate the Trust Assurance Framework and this was approved by the Trust Board in December 2020. The further populating of the whole framework was then paused during the management of the second wave of Covid-19 and the project to completed this recommenced in May 2020. The fully populated Trust Assurance Framework will be operationalised through governance by August 2021. It will then be received at each Strategic development Committee and each Trust Board meeting.

An efficient and effective assurance framework is a fundamental component of good governance and provides a tool for the Board to identify and ensure that there is sufficient, continuous and reliable assurance, organisational stewardship and the management of the major risks to the Trust’s success in achieving its strategic objectives.

RISK APPETITE STATEMENT

The Trust faces a broad range of risks reflecting its responsibilities. The risks arising from its responsibilities can be significant. These risks are managed through detailed processes that emphasise the importance of integrity, intelligent inquiry, maintaining high quality staff and public accountability.

The Trust makes resources available to control operational risks at acceptable levels and we recognise that it is not possible or indeed necessarily desirable to eliminate some of the risks inherent in our activities. Acceptance of some risk is often necessary to foster innovation within the services for which we are responsible.

The Trust's Risk Appetite Statement was refreshed and approved at Trust Board in September 2020, and considers the most significant risks to which the Trust is exposed. It provides an outline of the approach to managing these risks. All strategic and business plans for operational areas must be consistent with this Statement. Given the range of the Trust's activities and responsibilities, it is not appropriate to make a single overarching statement of the Trust's attitude to risk. Instead, a range of risk appetite statements arising from the different areas of our work has been developed in the following areas:

- Safety
- Quality
- Compliance
- Research & Development
- Partnerships & Innovation
- Reputation & Public Confidence
- Performance & Service Sustainability
- Financial Sustainability
- Workforce & Organisational Development
- Partnerships

The full Risk Appetite Statement is available via this [link](#).

HEALTH AND CARE STANDARDS FOR WALES

The Health and Care Standards published in April 2015, set out the requirements for the delivery of health care in Wales at every level and in every setting. The onus is on all NHS organisations to demonstrate that the standards are being used and are met on a continuous basis.

The Trust has an established framework through which self-assessments are undertaken and action taken to implement improvements and changes required to enable the Trust to deliver the highest quality of services to the people of Wales.

The Trust's service divisions and hosted organisations use the Standards to self-assess at all levels and across all activities to:

- Map against professional standards and operational plans.
- Assess how well they currently meet the standards.
- Identify what they do well and what could be shared wider.

- Identify what they do less well and what can be done to improve delivery.
- Make changes which contribute to overall quality improvement within their service.


In addition to the Trust undertaking a self-assessment, a selection of Standards were validated by Internal Audit during April 2021:

- Standard 1.0 – Governance, Leadership & Accountability.
- Standard 2.3 – Pressure damage
- Standard 3.3 – Quality Improvement, Research and Innovation
- Standard 7.1 - Workforce

The audit of the Health & Care Standards in Wales conducted by Internal Audit sought to provide assurance that the Trust has adequate procedures in place to ensure that it is operating in accordance with the Standards and that appropriate self-assessment against the Standards is undertaken.

The level of assurance given as to the effectiveness of the system of internal control in place to manage the risks associated with establishment controls within the Health and Care Standards is:

Substantial Assurance.

RATING	INDICATOR	DEFINITION
Substantial Assurance		The Board can take substantial assurance that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Few matters require attention and are compliance or advisory in nature with low impact on residual risk exposure.

The audit identified that the arrangements in place for the completion and review of the Health and Care Standards Self Assessments were of a high standard with good practice noted across all areas reviewed. The review has highlighted no findings or recommendations.

GOVERNANCE & ACCOUNTABILITY ASSESSMENT / TRUST BOARD EFFECTIVENESS

The Board is required to undertake an annual self-assessment of its effectiveness. The approach taken this year was to bring together the various sources of assurance, internal and external, that would support the Board in considering its overall level of maturity for the Trust in respect of good

governance and Board effectiveness. At the Trust's Annual Board Governance and Effectiveness Assessment meeting on the 15 April 2021, Board members were taken through the process and concluded that the Trust's self-assessment of the overall maturity level for 2020-2021 was assessed at Level (4).

Governance, Leadership & Accountability – Self Assessment	1. Do not yet have a clear, agreed understanding of where they are (or how they are doing) and what / where they need to improve.	2. Are aware of the improvements that need to be made and have prioritised them, but are not yet able to demonstrate meaningful action.	3. Are developing plans and processes and can demonstrate progress with some of their key areas for improvement.	4. Have well developed plans and processes and can demonstrate sustainable improvement throughout the organisation / business.	5. Can demonstrate sustained good practice and innovation that is shared throughout the organisation/ business, and which others can learn from.
Rating				✓	

The above process has been subject to independent internal assurance by the organisation's Head of Internal Audit. The internal audit review confirmed that a satisfactory process exists for the review and completion of the Governance and Accountability assessment, involving Executives and, Independent Members. There were no recommendations received in respect of the completion of the Governance and Accountability assessment.

R E V I E W O F E F F E C T I V E N E S S

As Accountable Officer, the Chief Executive has responsibility for reviewing the effectiveness of the system of internal control. The Chief Executive's review of the effectiveness of the system of internal control is informed by the work of Internal and External Auditors, the Executive Directors and other assessment and assurance reports, including the work of Healthcare Inspectorate Wales. The Chief Executive has listened to the Board on their views of the strengths and opportunities in the system of internal control and been advised by the work of the Audit Committee and other Committees established by the Board.

The Chief Executive's performance in the discharge of these personal responsibilities is assessed by the Director General of the Department of Health & Social Services/Chief Executive of NHS Wales.

At the Annual Board Governance and Effectiveness Assessment meeting (mentioned above) the Trust Board concluded an overall maturity level for 2020-2021 as Level (4); which is defined as

‘having well developed plans and processes and can demonstrate sustainable improvement throughout the organisation’.

The scrutiny of these arrangements is in part informed through the internal mechanisms already referred to, but also through the independent and impartial views expressed by a range of bodies external to the Trust, these include:

- Children’s Commissioner.
- Community Health Councils.
- Health & Safety Executive.
- Healthcare Inspectorate Wales.
- Welsh Language Commissioner.
- Other accredited bodies.
- Older Peoples Commissioner.
- Audit Wales.
- Welsh Government.
- Internal Audit (NHS Wales Shared Services).
- Welsh Risk Pool Services.
- Equality & Human Rights Commission.

INTERNAL AUDIT OPINION & SCORES FOR 2020-2021

Internal audit provides the Chief Executive and the Board through the Audit Committee with a flow of assurance on the system of internal control. The Chief Executive and Internal Audit agreed a programme of audit work, which was approved by the Audit Committee, and delivered in accordance with public sector internal audit standards by the NHS Wales Internal Audit Service, part of the NHS Wales Shared Services Partnership. The programme of audit work is designed to focus on significant risks and local improvement priorities. The subject areas covered during 2020-2021 were:

1. Corporate Governance, Risk and Regulatory Compliance
2. Strategic Planning, Performance Management and Reporting
3. Financial Governance and Management
4. Clinical Governance Quality & Safety
5. Information Governance and Security
6. Operational Service and Functional Management
7. Workforce Management
8. Capital and Estates


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 OPINION

The Head of Internal Audit is satisfied that sufficient audit work has been undertaken during the year to be able to give an overall opinion in line with the requirements of the Public Sector Internal Audit Standards. Regular audit progress reports have been submitted to the Audit Committee during the year.

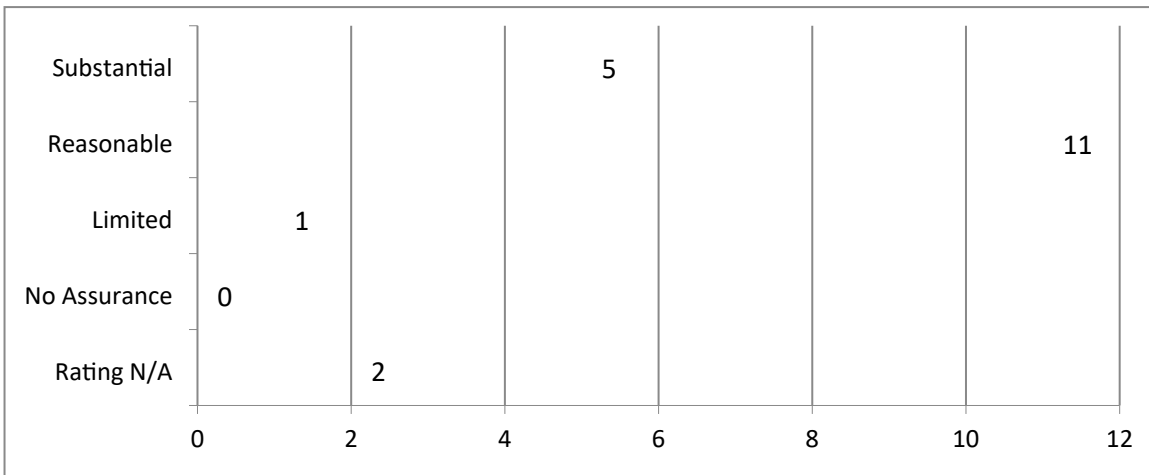
The Head of Internal Audit assessment should be interpreted in this context when reviewing the effectiveness of the system of internal control and be seen as an internal driver for continuous improvement.

The Head of Internal Audit opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management, and control is set out below. The overall opinion was classified as Reasonable Assurance.

Reasonable assurance		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.
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In reaching this opinion the Head of Internal Audit identified that the majority of reviews during the year concluded positively with robust control arrangements operating in some areas. From the reports issued during the year, five were allocated Substantial Assurance and eleven were allocated Reasonable Assurance. One report was allocated limited assurance and there were zero no assurance reports. The Limited Assurance report (Workforce Planning) was followed-up during the year and the Follow-up review was allocated Reasonable Assurance. In total 19 audits were reported during the year. Figure 1 presents the assurance ratings and the number of audits derived for each.

Figure 2 Summary of audit ratings



AUDIT WALES STRUCTURED ASSESSMENT 2020/21

The Trust's External Auditors, Audit Wales, conducted a Structured Assessment during 2020 that was designed in the context of the on-going response to the pandemic. As in previous years, the work focused on the corporate arrangements for ensuring that resources are used efficiently, effectively and economically. The work was structured under the following themes: leadership and governance; financial management; and operational planning. Auditors also paid attention to progress made to address previous recommendations where these related to important aspects of organisational governance and financial management especially in the current circumstances.

The report grouped findings under three themes:

- governance arrangements;
- managing financial resources; and
- Operational planning: to support the continued response to the pandemic balanced against the provision of other essential services.

The main conclusions from the 2020 report are outlined below:

- The Trust has continued to operate effectively throughout COVID-19. It is building a strong culture of good governance based on transparency, collaboration and constructive challenge. The Trust adapted its governance, quality, safety and risk management arrangements quickly and continues to identify opportunities to improve.
- The Trust and its Board have worked well under pressure to adapt governance arrangements. Business is shared effectively between the Board, Audit Committee and Quality and Safety Committee. Board business is transparent and well communicated. Information flows effectively from the Trust's executive team to the Board and the Board is clearly central to decision making. Board members provide good scrutiny and there is mutual respect between Board members. The Trust continues to review and refine its governance and corporate arrangements and look for ways to improve. The Trust has good arrangements to ensure safe, quality services and to manage risk. It continues to provide good information to assure the Board and its Committees of the quality and safety of its services.
- The Trust's arrangements for managing financial resources are working well. It met its financial duties to break even over the financial year 2019-20 and the three -year rolling period 2017-18 to 2019-20. The Trust continues to forecast breakeven in 2020-21 although achieving financial balance assumes additional funding will be made available to cover the ongoing costs of responding to COVID-19. It has strong financial controls and provides clear information on financial performance and risk for Board scrutiny.

- The Trust quickly developed operational plans as required by the Welsh Government. It is continually identifying the resources needed to deliver the plans and assessing the unknown implications of the pandemic. The Trust has identified risks to implementing its plans, including the resource implications of restarting services. The Board has been involved with developing the plans and has agreed arrangements to monitor progress. The Trust engaged stakeholders to develop and implement its plans but would benefit from earlier engagement with the Community Health Council (CHC) to inform future plans.

The Trust received no new recommendations for action based on the 2020 work. Improvement opportunities identified throughout the report are being addressed by the Executive Management Board and progress will be monitored by the Audit Committee by scrutiny of the Audit Action Plan. Velindre University NHS Trust– Structured Assessment 2020 report is published and available from the Audit Wales internet site by [clicking here](#).

The Trust's External Auditors, Audit Wales have also commenced its Structured Assessment for 2021. The work has been split into two phases, with the first phase of work undertaken in early 2021 which focused on operational planning arrangements (specifically the Quarter 3-4 Plan).

The Trust will receive the Final report at its Audit Committee in July 2021, no areas for improvement or recommendations have been identified.

INFORMATION GOVERNANCE

The Trust has established arrangements for Information Governance to ensure that appropriate use and access to information the Trust and its associated organisations hold, including confidential patient and donor information, is managed in line with the relevant Information Governance law, regulations and Information Commissioner's Office guidance. This is guided by such legislation and guidance that includes UK General Data Protection Regulation, UK Data Protection Act 2018 and Caldicott. The Medical Director is the Trust's Caldicott Guardian and supported by designated Caldicott Guardian roles at both respective Trust Divisions, the Director of Finance is the Senior Information Risk Owner (SIRO) and the Trust has appointed a Data Protection Officer (DPO).

The Trust continues to be proactive regarding all aspects of information handling and security, privacy, system developments, and incident/ records management, and continues to implement processes and communication of associated national and local GDPR and DPA guidance.

During 2020/2021, our information governance focus has been on supporting the organisation to focus on its operational efforts in response to the Coronavirus pandemic. We have consolidated and centralised existing staff resource within the core information governance function of the Trust in

order to further strengthen and ensure the advice and guidance being provided is in a consistent manner, and against clear governance standards that are communicated and understood by the whole of the Trust.

Over the past twelve months, our information governance department has continued to lead on raising staff awareness, monitor compliance with GDPR, other data protection laws and internal data protection activities; advise on Data Protection Impact Assessments (DPIAs); auditing information handling activities; management of reported incidents; and compliance checks to help reduce risk levels and incidents. This provides assurance that the Trust has continued to discharge our information governance responsibilities in line with best practice, and that the processing of personal data being carried out within the Trust is in compliance with data protection legislation.

B USI NE SS CO NTI N UITY AND EMERG ENCY PREPAR EDNESS

The Trust continues to make significant progress in its business continuity and emergency preparedness framework.

A Trust wide business continuity steering group supports the framework and governance within the Trust. This is supported by a Trust wide policy, communications plan and command and control guidance.

The focus of the Trust for the past year has been on the planning and response to the Covid-19 global pandemic, and ensuring the Trust continues to deliver core service provision throughout this exceptional time. 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 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 response to Covid-19 has been unprecedented in UK history, in terms of the scale, duration and impact. This response required prolonged establishment of UK and Welsh structures, including Local Resilience Forum structures. Robust incident management structures were put in place across the Trust to manage the COVID19 response. The Trust has actively engaged with UK activities, Welsh Government and Public Health Wales on the Coronavirus Planning & Response.

During quarter 1 of 2021 both the Welsh Blood Service and Velindre Cancer Centre (VCC) have focused on reviewing its business impact analyses and major incident plan to ensure the learning from Covid-19 was captured and mitigated.

The changing environment of risk results in the strategies and plans being reviewed regularly and in line with the National Risk Register. Emerging threats are considered in the development and enhancement of risk mitigation strategies and the organisations response mechanisms. These plans are commensurate with the level of risk the Trust anticipates exposure to.

Business Continuity Plans have been tested in the last 12 months, and include Major Incident Communications test, Clinical Emergency Communication tests, participation in Exercise Wales Connect, Welsh Government supported Cyber Incident exercise, Pandemic Flu workshops and Brexit/D20 related workshops. Engagement in multidisciplinary exercises has allowed the Trust to encompass lessons learned, align to wider health emergency planning and to further improve the current procedures.

The WBS has undertaken a site wide security assessment in partnership with the Counter Terrorism unit of South and North Wales Police.

The Trust has undertaken a significant amount of work with regard to Brexit and specifically undertaken detailed planning and preparation to mitigate against core service disruption encountered from EU Exit. The planning has been multi-faceted and based on risk, across a number of varying themes and integrated with NHS Wales, Local Authorities, the Welsh Government and the Local Resilience Forums (LRFs) it partners with and key stakeholders. There has been a specific focus on key risks which include supply chain continuity for medicines, medical devices and clinical consumables. In addition, the Welsh Blood Service has worked closely with UK blood services and enhanced the mutual aid arrangements between services to ensure the continuity and safety of the blood supply chain.

The Trust continues to engage with Welsh Government Emergency Planning Advisory Group and LRFs around key strategies for workload, training and exercises. The Trust has continued to explore training needs analysis for Strategic and Tactical officers for Emergency Management, and two members of the Board have completed Strategic LRF training in the past 12 months.

During 2021/2022, the Trust plans to continually review business continuity management system to ensure alignment with current best practice guidelines.

INTEGRATED MEDIUM TERM PLAN (IMTP)

Velindre University NHS Trust is a very ambitious organisation striving to provide services which are recognised as excellent by the people who use them, the people who work in them and by our key partners.

Velindre University NHS Trust vision is:

‘To be recognised locally, nationally, and internationally as a renowned organisation of excellence for patient and donor care, education and research’

This vision is supported by a clear set of goals, values and a small number of strategic themes, which provide a framework to operate within.

The NHS in Wales is a planned system and each Health Board and the Trust is required to have a fully costed three-year rolling Integrated Medium Term Plan (IMTP). The IMTP outlines the key actions which will be taken to support the Trust in delivering its strategy.

In accordance with the set statutory duty, the Trust submitted its’ IMTP, covering the period 2020-2023, to Welsh Government. However, the IMTP was not formally considered for approval by the Welsh Government as they made a decision to pause the IMTP approval process in light of the COVID-19 challenges at that point in time. However, the Trust were informed that:

‘Following a robust assessment, your IMTP is considered to be approvable, which stands you in good stead for the future and provides a baseline for future planning discussions’.

As outlined above, in March 2020, the IMTP process was paused, following which quarterly planning arrangements were introduced during 2020-2021. Quarterly plans were required from all organisations aligned to the priorities in Quarter 1, Quarter 2 and Quarter 3/Quarter 4 frameworks which were issued throughout the year. The Trust has complied with this requirement throughout the year with all plans formally scrutinised by the Quality, Safety and Performance Committee and subsequently approved by the Trust Board.

Delivery of the IMTP during 2020-2021 was also subject to scrutiny and assurance through the Quality, Safety and Performance Committee and the Trust Board. Through this scrutiny and review process it is clear that great progress has been made across the organisation in working towards the realisation of the Velindre Cancer Centre (VCC) and the Welsh Blood Service (WBS) strategic objectives. Key achievements are described in some detail in the Trust’s Annual Report Executive Summary.

In respect of financial performance, the Trust reported an overall underspend of £38k for the Trust

and consequently delivered on our statutory duty to achieve a financial breakeven over a three year period. This underspend includes an amount of £22k for NWSSP and £16k against our core services.

MINISTERIAL DIRECTIONS

A list of Ministerial Directions issued by the Welsh Government during 2020/2021 is available at: <https://gov.wales/health-social-care>

Whilst Ministerial Directions are received by Local Health Boards, these are not always applicable to Velindre University NHS Trust. Those considered of relevance to the Trust are listed below:

- **Ministerial Direction regarding the NHS Pension Tax Proposal 2019-2020**

The Trust has disseminated this direction as appropriate and reported it to the Trust Remuneration Committee.

All Ministerial Directions issued throughout the year are listed on the Welsh Government website above.

Welsh Health Circulars issued by Welsh Government are logged by the Governance Function and assigned an Executive Lead to assess the impact to the Trust and take forward necessary actions as appropriate. A register and action log is maintained by the Governance Function. A list of Welsh Health Circulars issued by the Welsh Government during 2020-2021 is available at: <https://gov.wales/health-circulars>

EQUALITY & DIVERSITY

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with.

The control measures include:

- Trust Strategic Equality Plan and Objectives (2020 – 2024);
- Trust the Gender Pay Gap Report which includes the Equality Monitoring Report;
- Equality reports to Quality, Safety & Performance Committee on the Trust's Equality Objectives and Actions;
- Reports to the Equality and Human Rights Commissions' enquiries;
- Report to the Welsh Government Equalities Team;
- Provision of evidence to the Health Care Standards Audit, specifically Standard 2;
- Equality Impact Assessments.

C O N C L U S I O N

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. The need to respond and recover from the pandemic will be with the organisation and wider society throughout 2021/22 and beyond. I will ensure our Governance Framework considers and responds to this need.

The system of internal control has been in place for the year ended 31 March 2021 and up to the date of approval of the 2020-2021 annual report and accounts.

There have been no significant governance issues identified during this period.

Signed by:

Mr. Steve Ham
Chief Executive

Date: 8 June 2021

APPENDIX 1 – GOVERNANCE STATEMENT – TRUST BOARD AND COMMITTEE ACTIVITY 2020-2021

The table below outlines the key highlights and activity considered by the Trust Board and its Committees during 2020-21, please note this is not an exhaustive list.

Meeting:	Meeting Dates:	Activity:
<p>Velindre University NHS Trust - Public Trust Board meeting.</p> <p>Meeting Agendas, Minutes and Papers are available on the Trust Internet site</p>	<ul style="list-style-type: none"> 30.04.2020 04.06.2020 25.06.2020 30.07.2020 24.09.2020 26.11.2020 10.12.2020 28.01.2021 25.03.2021 <p>All meetings were quorate.</p>	<p>Programme/Project Updates:</p> <ul style="list-style-type: none"> Transforming Cancer Services Programme. New Velindre Cancer Centre (nVCC) Project. Blood Supply Chain 2020. <p>Finance:</p> <ul style="list-style-type: none"> Updating the Board on the financial position of the Trust. Approving the Annual Accounts and Accountability Report in June 2020. <p>Performance:</p> <ul style="list-style-type: none"> Considered and scrutinised the Delivering Excellence Performance reports at each meeting. Updating the Board on the impact of COVID-19. <p>Planning:</p> <ul style="list-style-type: none"> Progress updates and approval in respect of the Trust's Quarterly plans and Annual (2021-22) Plan. <p>Risk Management:</p> <ul style="list-style-type: none"> Scrutiny of the Trust's Risk Register. <p>Integrated Governance:</p> <ul style="list-style-type: none"> Audit Wales Structured Assessment Report 2020 and Annual Audit Report. Revisions to the Standing Orders. Highlight Reports from Board Committees.

		<ul style="list-style-type: none"> • Hosting Assurance Arrangements. • Updates in respect of the Infected Blood Inquiry (IBI). • Updates in respect of the Welsh Language Standards Implementation and Risk Assessment. • Updates in respect of Brexit.
Advisory Consultant Appointments Committee	Panels were held: <ul style="list-style-type: none"> • 11.02.2020 	As and when required the Advisory Consultant Appointment Committee meet to manage the arrangements for appointments to NHS Consultant posts within the Trust.
Trust Audit Committee	<ul style="list-style-type: none"> • 21.04.2020 • 25.06.2020 • 09.07.2020 • 08.10.2020 • 11.12.2020 • 21.01.2021 • 22.03.2021 <p>All meetings were quorate.</p>	<p>The purpose of the Audit Committee is to:</p> <p>Advise and assure the Board and the Accountable Officer on whether effective arrangements are in place - through the design and operation of the Trust's system of assurance - to support them in their decision taking and in discharging their accountabilities for securing the achievement of the Trust's objectives, in accordance with the standards of good governance determined for the NHS in Wales.</p> <p>Where appropriate, the Committee will advise the Board and the Accountable Officer on where and how its system of assurance may be strengthened and developed further.</p> <p>The Audit Committee Annual Report for 2020, which outlines the activity of the Committee for the year ending 31 December 2020 was approved by the Audit Committee on 21 January 2021 and is available on the Trust Internet site click here.</p>
NHS Wales Shared Services Partnership Audit Committee (NWSSP)	<ul style="list-style-type: none"> • 28.04.2020 • 30.06.2020 • 20.10.2020 • 26.01.2021 	<p>The NWSSP Audit Committee Annual Report for 2019-2020 was received at their meeting in October 2020 and is available via the following link:</p> <p>NWSSP Audit Committee Annual Report 2019-20</p>

	All meetings were quorate	The NWSSP Audit Committee Annual Report for 2021 will be received by the Committee for approval in June 2021.
Charitable Funds Committee	<p>Stood Down</p> <ul style="list-style-type: none"> • 23.06.2020 <p>Meetings Resumed</p> <ul style="list-style-type: none"> • 04.11.2020 • 09.12.2020 • 11.02.2021 <p>All meetings were quorate.</p>	<p>The Velindre Trust Board was appointed as corporate trustee of the charitable funds by virtue of the Velindre National Health Service Trust (Establishment) Order No. 2838 that came into existence on 1st December 1993 and that its Board serves as its agent in the administration of the charitable funds held by the Trust.</p> <p>The purpose of the Committee “is to make and monitor arrangements for the control and management of the Trust’s Charitable Funds”.</p> <p>The Charitable Funds Committee Annual Report for 2020/21, which outlines the activity of the Committee for the year ending 31 March 2021, will be received by the Committee for approval in August 2021.</p>
Local Partnership Forum (LPF)	<p>Stood Down</p> <ul style="list-style-type: none"> • 08.04.2020 • 08.07.2020 <p>Meetings Resumed</p> <ul style="list-style-type: none"> • 02.12.2020 • 03.03.2021 <p>All meetings were quorate.</p>	<p>The purpose of the Local Partnership Forum (LPF) is;</p> <p>To provide a formal mechanism where the Trust, as employer and trade unions / professional bodies representing Trust employees (hereafter referred to as staff organisations) work together to improve health services for the citizens served by the Trust – achieved through a regular and timely process of consultation, negotiation and communication. In doing so, the LPF must effectively represent the Trust’s workforce.</p> <ul style="list-style-type: none"> • It is the forum where the Trust and staff organisations will engage with each other to inform, debate and seek to agree local priorities on workforce and health service issues; and inform thinking around national priorities on health matters.

		<ul style="list-style-type: none"> The Trust may specifically request advice and feedback from the LPF on any aspect of its business and the LPF may also offer advice and feedback even if not specifically requested by the Trust. The LPF may provide advice to the Board: In written advice or, In any other form specified by the Board. <p>The Local Partnership Forum Annual Report for 2020/21, which outlines the activity of the Committee for the year ending 31 March 2021 will be submitted for approval at its meeting in June 2021.</p>
Quality & Safety Committee	<ul style="list-style-type: none"> 29.04.2020 18.05.2020 22.06.2020 20.07.2020 27.08.2020 *28.09.2020 <p>(*Final meeting before being re-established as new Quality, Safety & Performance Committee aligned to new Board Committee model)</p> <p>All meetings were quorate</p>	<p>The purpose of the Quality & Safety Committee is to provide:</p> <p>Evidence based and timely advice to the Board to assist it in discharging its functions and meeting its responsibilities with regard to the quality and safety of healthcare; and Assurance to the Board in relation to the Trust's arrangements for safeguarding and improving the quality and safety of patient and service user centred healthcare in accordance with its stated objectives and the requirements and standards determined for the NHS in Wales.</p> <p>The Quality & Safety Committee Annual Report for 2020, which outlines the activity of the Committee for the year ending 31 March 2020 is available on the Trust Internet site click here.</p>
Quality, Safety & Performance Committee	<p>Inaugural meeting</p> <ul style="list-style-type: none"> 12.11.2020 18.01.2021 15.03.2021 <p>All meetings were quorate</p>	<p>The purpose of the Quality, Safety and Performance Committee is to provide:</p> <p>Evidence based and timely advice to the Board to assist it in discharging its functions and meeting its responsibilities with regard to the: quality, safety and performance of healthcare; all aspects of workforce; digital delivery and</p>

		<p>information governance; and</p> <p>Assurance to the Board in relation to the Trust's arrangements for safeguarding and improving the quality, safety and performance of patient and service user centred healthcare, workforce matters, digital delivery and information governance in accordance with its stated objectives, legislative responsibilities and the requirements and standards determined for the NHS in Wales.</p>
Strategic Development Committee	<p>Inaugural meeting</p> <ul style="list-style-type: none"> • 05.11.2020 • 14.12.2020 • 09.02.2021 <p>All meetings were quorate</p>	<p>The purpose of the Strategic Development Committee is to provide:</p> <p>Evidence based and timely advice to the Board to assist it in discharging its functions and responsibilities with regard to the:</p> <ul style="list-style-type: none"> - strategic direction - strategic planning and related matters - organisational development - digital services, estates and other enabler services - sustainable development and the implementation of strategy through the spirit and intention of the Well Being of Future Generations Act - investment in accordance with Value-based healthcare <p>Assurance to the Board in relation to strategic decision-making, ensuring it is supported with a robust understanding of risks in relation to the achievement of organisational goals and strategic objectives.</p> <p>Where appropriate, the Committee will advise the Board and the Accountable Officer on where, and how, its system of assurance may be strengthened and developed further.</p>
Remuneration Committee	<p>Stood down:</p> <ul style="list-style-type: none"> • 29.08.2020 • 24.06.2020 <p>Meetings Resumed:</p> <ul style="list-style-type: none"> • 03.09.2020 	<ul style="list-style-type: none"> • Considered Voluntary Early Release applications received during the year for approval. • Considered cases of potential redundancies. • Board Appointments / Recruitment Updates • Executive Appraisal and Objectives. • Terms of Reference Review.

	All meetings were quorate.	<ul style="list-style-type: none"> • Pension Tax Proposal.
Research, Development & Innovation (RDI) Sub-Committee	<p>Stood down:</p> <ul style="list-style-type: none"> • 16.03.2020 • 17.06.2020 • 21.09.2020 <p>Meetings Resumed:</p> <ul style="list-style-type: none"> • 27.01.2021 <p>All meetings were quorate.</p>	<p>The purpose of the RD&I Committee is to provide:</p> <ul style="list-style-type: none"> • Strategy and policy oversight for Innovation and Research activities at the Trust and advise on and monitor performance in these areas. • Promotion and encouragement of an Innovation and Research ethos and culture which is integral to the Trusts vision, mission and values. • Evidence based timely advice to the Board to assist it in discharging its functions and meeting its responsibilities with regards to the quality and safety of Innovation and Research activity. In the relation to research this includes activity carried out within the Trust both as a research sponsor and host organisation. • Assurance to the Board in relation to the Trust's arrangements for ensuring compliance with the, and the EU Clinical Trials Directive 2004 as amended from time to time. • Foster collaboration and make recommendations on adoption and dissemination. • Consideration of relevant matters with reference to the parameters identified for risk appetite in relation to research, development and innovation as set by the Board. <p>The RD&I Sub-Committee Annual Report for 2020/21, which outlines the activity of the Committee for the year ending 31 March 2021 will be received for approval by the Committee in July 2021.</p>

APPENDIX 2 – Board Member Attendance at Board Meetings 2020 - 21

Key: ✓ In Attendance ☒ Not in Attendance

Board Member

	30.04.20	04.06.20	25.06.20	30.07.20	24.09.20	26.11.20	10.12.20	28.01.21	25.03.21
Prof. Donna Mead, Chair	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Stephen Harries, Interim Vice Chair and Independent	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Martin Veale, Independent Member	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mrs. Janet Pickles, Independent Member	✓	✓	✓	✓	✓	✓	☒	✓	✓
Mrs. Hilary Jones, Independent Member	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Gareth Jones, Independent Member	✓	✓	✓	✓	✓	✓	✓	✓	✓
Professor Donald Fraser Independent Member	☒	☒	☒	✓	✓	✓	✓	✓	✓
Mr. Steve Ham, Chief Executive	✓	✓	✓	✓	✓	✓	✓	✓	✓

Board Member	30.04.20	04.06.20	25.06.20	30.07.20	24.09.20	26.11.20	10.12.20	28.01.21	25.03.21
Mr. Mark Osland, Executive Director of Finance	✓	✓	✓	✓	☒	✓	✓	✓	✓
Dr. Jacinta Abraham, Executive Medical Director	✓	✓	✓	✓	✓	☒	☒	✓	✓
Ms. Sarah Morley, Executive Director of Organisational Development & Workforce	✓	✓	✓	✓	✓	✓	✓	✓	☒
Mrs. Nicola Williams, Executive Director of Nursing, AHPs & Health Science	✓	✓	✓	✓	✓	✓	✓	✓	✓

FINANCIAL ACCOUNTABILITY REPORT

The Trust continues to operate in a challenging financial environment like all organisations in NHS Wales, which was particularly difficult in 2020/2021 as a result of the impact of the COVID-19 pandemic. Despite the pandemic, opportunities to make efficiency savings and identify recurring reductions in costs whilst maintaining and improving services are sought wherever possible by Directors, finance teams and staff across the organisation.

The Core Trust Services incurred additional revenue spend of £6.291m and capital spend of £1.845m in its response to the pandemic. Welsh Government provided the Trust with funding to cover these COVID-19 related issues which ensured they did not impact on the Trust meeting the key target of its expenditure not exceeding income.

Despite these challenges, the Trust was able to achieve all three financial targets set by Welsh Government in 2020/2021. This will remain a difficult task in 2021/2022 and the foreseeable future as the Trust continues to respond to the pandemic and invest in additional capacity to enable it to deal with activity backlogs, which will require additional Welsh Government funding in order that the Trust can continue to meet its financial targets.

The Trust remains committed to providing high quality and safe care with the best possible outcomes for its patients, while striving to deliver this through efficient and effective services, and therefore seeking opportunities to make efficiency savings and identify recurring reductions in costs will continue to be a priority focus for the organisation.

FINANCIAL TARGETS

The Trust has met all three of its financial targets for the year ended 31 March 2021:

- Breakeven duty - The Trust achieved a surplus of £38,000 in 2020/2021 (2019/2020: surplus of £24,000), resulting in a surplus of £93,000 over a three year period. The Trust has therefore achieved its statutory financial duty to achieve financial breakeven over a rolling three year period.
- Duty to prepare a 3 year integrated plan – Due to the pandemic, the process for the 2020/2023 integrated plan was paused in Spring 2020 and a temporary quarterly planning arrangement put in place for 2020/2021. As a result, the extant planning duty for 2020/2021 remains the requirement to submit and have approved a 2019/2022 integrated plan, as set out in the NHS Wales Planning Framework 2019/2022. The Trust submitted a 2019/2022 integrated plan in accordance with the planning framework and has therefore met its statutory duty to have an approved financial plan.

- Creditor payments - The Trust is required to pay 95% of the number of non- NHS bills within 30 days of the receipt of goods or a valid invoice (whichever is the later). The Trust has met this target, paying 96.7% (2019/2020: 97.4%) within the required time.

The Trust ordinarily would have four financial targets to meet: the fourth being the External Finance Limit (EFL). The Welsh Government has temporarily removed this target for 2019/2020 and 2020/2021.

F E E S A N D C H A R G E S - A U D I T O R R E M U N E R A T I O N

Fees paid to Audit Wales for their statutory audit and performance audit work were £215,829 by the Trust, and £12,167 by the Trust's Charitable Fund.

M A T E R I A L R E M O T E C O N T I N G E N T L I A B I L I T I E S

The Trust hosts the Welsh Risk Pool (WRP) as part of NHS Wales Shared Services Partnership (NWSSP). The WRP returns from Welsh Health Organisations estimate that in 2020/2021 the Trust has remote contingent liabilities of £61m (2019/2020: £38m) which relate to potential litigation claims against NHS Wales that could arise in the future due to known incidents. Due to the nature and uncertainty of these potential claims, no provision has been made for them within the accounts.

L O N G T E R M E X P E N D I T U R E T R E N D S

	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
	£000	£000	£000	£000	£000
Total Revenue	637,132	712,828	525,607	572,642	848,405
Pay	144,112	149,866	160,551	182,684	242,072
Non Pay	478,901	549,774	352,075	373,015	587,320
Depreciation	15,989	17,595	16,466	17,186	17,554
Total Expenditure	639,002	717,235	529,092	572,885	846,946
Non-operating revenue and costs	1,725	5,613	3,295	440	(207)
Total consolidated surplus / (deficit)	(145)	1,206	(190)	197	1,252

The table above includes the income and expenditure of the Trust's charitable fund and assets that

have been donated to the Trust. The Trust's annual surplus / (deficit) excluding the charitable fund and donated assets is shown below:

	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021
	£000	£000	£000	£000	£000
Surplus / (deficit) excluding charitable fund and donated assets	35	49	31	24	38

Notes

- During 2016/2017 the Trust established a National Technology Adoption Hub. The Surgical Material Testing Laboratory transferred to, and Health and Care Research Wales Workforce transferred from, the Trust.
- During 2018/2019 the Wales Workforce Education & Development Services (WEDS), which was part of the NHS Wales Shared Services Partnership (NWSSP), was transferred from the Trust into the newly established Health Education & Improvement Wales (HEIW). The transfer of WEDS resulted in a significant reduction in the income and expenditure reported within the above table, but had no impact on the surplus / deficit for the year.
- During 2019/2020 two new all Wales services were established within NWSSP - the Medical Examiner Scheme and the General Medical Practice Indemnity Scheme.
- During 2020/2021 a new All Wales service was established within NWSSP – the Collaborative Bank Partnership; and two existing services commenced expansion – the Single Lead Employer Scheme and the General Medical Practice Indemnity Scheme to include the first phased intake to the Existing Liability Scheme.

MODERN SLAVERY ACT 2015

TRANSPARENCY IN SUPPLY CHAINS STATEMENT 2020/2021

This statement is made to comply with Section 54 of the Modern Slavery Act 2015 and the Welsh Government's Code of Practice: Ethical Employment in Supply Chains. The Statement sets out the steps that Velindre University NHS Trust has taken and is continuing to take, to make sure that modern slavery and / or human trafficking is not taking place within the Trust or supply chain during the year ending 31 March 2021.

Modern slavery encompasses slavery, servitude, human trafficking and forced labour. The Trust has a zero-tolerance approach to any form of modern slavery (slavery, servitude, human

trafficking and forced labour). We are committed to acting ethically and with integrity and transparency in all business activity and to establish effective systems and controls, to safeguard against any form of modern slavery occurring within the Trust's supply chain.

The Trust is also fully committed to complying with its legal obligations. In doing so, it is committed as an NHS employer, to eradicate modern slavery and human trafficking, by combating unlawful and unethical employment practices and to support those affected.

The Trust will not undertake any employment practices that;

- Support modern slavery and human rights abuses;
- Support or abet the operation of blacklist / prohibited lists;
- Facilitate false self-employment;
- Permits the use of unfair umbrella schemes;
- Provide employees or workers with zero hours contracts; and
- Facilitate the payment of salaries which are lower than the National Living Wage.

Current Policies and Initiatives

The Trust is fully aware of its responsibilities towards patients, donors, service users, employees and the local community, and expects all employees and suppliers to act ethically and with integrity, in all our business relationships.

The Trust produced its first 'Ethical Employment Statement' in 2019, which was approved by the Trust Board and published in the 2019/2020 Annual Report and on the Trust's Internet / Intranet sites. This report set out the Trust's commitment to producing an annual written statement, in relation to its obligations under the Modern Slavery Act (2015) in 2019.

The Trust takes the following steps, to ensure that there is no modern slavery or human trafficking in our supply chains or in any part of our business:

People

- The Trust is fully compliant with the six NHS pre-employment check requirements, to verify that applicants meet the preconditions of the role they are applying for. This includes a right to work in the UK check;
- The Trust has a robust IR35 policy and processes in place, which ensures that there is no unfair use of false self-employed workers or workers being engaged under umbrella schemes. This process ensures the fair and appropriate engagement of all workers and prevents individuals from avoiding paying Tax and National Insurance contributions.
- The Trust does not engage or employ employees or workers on Zero Hours Contracts.

The Trust does employ Bank Staff, but these staff are provided with the opportunity to apply for substantive posts should they wish to.

- The Trust pays our lowest paid employees on Pay Band 2 (the lowest NHS Wales pay band). This salary is compliant with the National Living Wage.
- The Trust has an Equality and Diversity Policy and a range of processes and procedures which ensures that no potential applicant, employee or worker engaged by the Trust is in any way unduly disadvantaged in terms of pay, employment rights, employment, training and development and career opportunities;
- In 2020 the Trust has launched a Working in Confidence platform that allows staff to raise and resolve concerns confidentially
- The Trust has in place a range of workforce policies e.g. Grievance Policy, Dignity at Work Procedure, Anonymous Communications, Violence, Domestic Abuse and Sexual Violence in the Workplace; etc. Our policies enable our employees to raise concerns about poor working practices.
- The Trust complies fully with the Transfer of Undertaking (Protection of Employment) Regulations ensuring that Trust employees that may be required to transfer to a new organisation, will retain their current NHS Terms and Conditions of Service; and
- The Trust does not make use of blacklist / prohibited list information.

Procurement and our Supply Chain

- The Trust's Procurement Team operates within the current UK and NHS procurement regulations and includes a mandatory exclusion question regarding the Modern Slavery Act 2015.
- The Trust's NWSSP Supplier Policy sets out the manner in which we behave as an organisation and how we expect procurement employees and suppliers to act.
- The Trust's Procurement Team's approach to procurement and our supply chain includes:
 - Ensuring that our suppliers are carefully selected through robust supplier selection criteria/processes;
 - Requiring that the main contractor provides details of its sub- contractor(s), to enable the Procurement Team on behalf of the Trust to check their credentials;
 - Randomly request that the main contractor provide details of its supply chain; ➤ Ensuring invitation to tender documents contain a clause on human rights issues; ➤ Ensuring invitation to tender documents also contains clauses giving the Trust the right to terminate a contract for failure to comply with labour laws;
 - Using a Supplier Selection Questionnaire which includes a section on Modern Day Slavery;
 - Trust staff must contact and work with the Procurement Team when looking to work with new suppliers, to ensure that appropriate checks can be undertaken;
 - Ensuring supplier adherence to the Trust and NHS Wales values. We are zero

tolerant to slavery and human trafficking and thereby expect all our direct and indirect suppliers /contractors to be compliant;

- Assurances are sought from suppliers, via the tender process, that they do not make use of blacklists/prohibited lists. The Trust is also able to provide confirmation and assurances that the Trust does not make use of blacklist/prohibited list information.
- The Transparency in Supply Chain (TISC) Report – Modern Slavery Act (2015) compliance tracker is used, through contracts procured by NWSSP Procurement Services on the Trust's behalf.

Training

- Advice and training about modern slavery and human trafficking is provided to employees through our mandatory safeguarding children and adults training programmes, our safeguarding policies and procedures and our safeguarding lead. The Trust is exploring new ways to continuously increase awareness within our organisation and to ensure a high level of understanding of the risks involved with modern slavery and human trafficking, in our supply chains and in our business.

Policies and Initiatives 2020 /2021

In the forthcoming year, the Trust is committed to taking the following actions to continue to ensure that modern slavery and / or human trafficking is not taking place within our organisation or supply chain during the year ending 31 March 2021.

People

- The Trust complies with the IR35 Legislation, which came into effect on the 6 April 2021.
- The Trust will use internal communications to promote and raise employee awareness of modern slavery and human trafficking.
- The Trust publicised and promoted Anti-Slavery Day on the 18 October 2020, to encourage all employees to take action, as appropriate, within their role, to address this issue.
- The Trust has purchased a Working in Confidence Platform
- The Trust's Safeguarding lead will be updating the Safeguarding Guidance Booklet for staff to include the modern slavery pathway.

R E M U N E R A T I O N & S T A F F R E P O R T

The details of the Remuneration Relationship are reported on page 70 of the Accountability Report, and note 10.6 of the Annual Accounts.

The pay and terms and conditions of employment for the Executive Team and senior managers have been and will be determined by the Velindre University NHS Trust Remuneration and Terms of Service Committee, within the framework set by the Welsh Government. The Remuneration and Terms of Service Committee also considered and approved applications relating to the voluntary early release scheme. The Trust Remuneration Committee members are Independent Members of the Board and a Trade Union Representative. The Committee is chaired by the Trust Chair. Details of the membership of the Remuneration & Terms of Service Committee are captured on pages 8- 12 of the Directors' Report section of this report.

Existing public sector pay arrangements apply to all staff including members of the Executive Team. All members of the Executive Team are on pay points and not pay scales.

The performance of members of the Executive Team is assessed against personal objectives and against the overall performance of the Trust. The Trust does not operate a performance related pay scheme.

All Executive Directors have the option to have a lease car, under the terms of the Trust's lease car agreement.

The Chief Executive and Executive Directors are employed on permanent contracts, which can be terminated by giving due notice unless for reasons of misconduct.

There have been no payments to former Executives or other former senior managers during the year.

The remuneration report is required to contain information about senior managers' remuneration. The senior management team consists of the Chief Executive, the Executive Directors and the Independent Members (Non-Executive Directors), the Director of Transformation, Planning, and Digital, the Chief Operating Officer and the Director of Corporate Governance / Board Secretary / Chief of Staff. Full details of senior managers' remuneration are shown later in the table on page 69.

The totals in some of the following tables may differ from those in the Annual Accounts as they represent staff in post at 31st March 2021 whilst the Annual Accounts (note 10.2) shows the average

number of employees during the year.

Transparency of senior remuneration in the devolved Welsh Public Sector – ANNEX 10.

Guide to Tackling Unfair Employment Practices and False Self-Employment -

<https://gov.wales/docs/dpsp/publications/valuwales/170620-unfair-employment-en.pdf> - ANNEX

10

STAFF COMPOSITION BY GENDER

A breakdown of the workforce by gender is set out in the table below. This figure represents the composition as at 31 March 2021. To note it excludes those in Bank, Locum and Honorary positions.

*FTE – Full-time Equivalent

Gender	Headcount	FTE*	% of Headcount
Female	2,983	2,654.39	57.5
Male	2,049	1,961.86	42.5
Grand Total	5,032	4,616.25	100

A breakdown of the Board Members and Senior Managers by gender is set out in the table below. This figure represents the composition as at 31 March 2021. The data confirms that there are more female than male Trust Board Members and Senior Managers. Female employees are employed in five out of the nine Trust Board and Senior Manager posts.

Job Title	Gender	Headcount	FTE	% of Headcount
Chief Executive	Male	1	1	12.50%
Interim Chief Operating Officer	Female	1	1	12.50%
Executive Director of Finance	Male	1	1	12.50%
Medical Director	Female	1	1	12.50%
Executive Director of Nursing, AHP and Healthcare Science	Female	1	1	12.50%
Executive Director of Workforce and Organisational Development	Female	1	1	12.50%
Director of Transformation, Planning & Digital	Male	1	1	12.50%
Director of Corporate Governance / Trust Secretary	Female	1	1	12.50%
Grand Total		8	8	100%
	Male	3		37.50%
	Female	5		62.50%

S T A F F C O M P O S I T I O N B Y S T A F F G R O U P

During 2020/2021 the average full time equivalent (FTE) number of operational staff permanently employed by the Trust was 4,073. The average number of employees is calculated as the full time equivalent number of employees in each week of the financial year divided by the number of weeks in the financial year. The table below provides a breakdown of the workforce by staff grouping and in addition to permanently employed staff, shows staff on inward secondment, agency staff and other staff.

	Average FTE Number of Operational Employees						
	Permanently Employed	Staff on Inward Secondment	Agency Staff	Specialist Trainee	Other Staff	2020/2021 Total	2019/2020 Total (Restated)
Administrative, Clerical and Board Members	2,558	20	29	0	36	2,643	2,557
Medical and Dental	111	1	0	4	5	121	100
Nursing and Midwifery Registered	190	1	0	0	4	195	189
Professional, Scientific and Technical Staff	65	0	0	0	0	65	56
Additional Clinical Services	301	1	5	0	9	316	201
Allied Health Professionals	123	0	9	0	0	132	125
Healthcare Scientists	136	0	1	0	5	142	138
Estates and Ancillary	355	0	42	0	59	456	356
Students	3	0	0	0	0	3	0
Total	3,842	23	86	4	118	4,073	3,722

SICKNESS ABSENCE DATA 2020 / 21

The data shows an overall increase in sickness absence levels during 2020/21 and as a result the Trust did not achieve the Welsh Government Sickness Absence Rate of 3.54% during this period.

Report	2020/21	2019/20	Variance
Total Days Lost (Long Term):	43262	45150	-1,889
Total Days Lost (Short Term):	14011	18244	-4,233
Total Days Lost:	57272	63394	-6121.7
Average Staff Employed in the Period – FTE	4392.47	4006.36	386.11
Average Working Days Lost (FTE):	13.04	15.82	-2.78
Total Staff Employed in Period:	5032	4526	506
Total Staff Employed in Period with No Absence (Headcount):	3176	1971	1,205
Percentage Staff with No Sick Leave:	63.12	43.55	19.57

The Workforce team work with Divisions to manage the wellbeing of staff and sickness absence. Monthly performance reports are developed for Divisions and Executive colleagues to monitor sickness and COVID sickness absence. Interventions to support managers are aligned to reasons for sickness to ensure effective interventions that support staff. Regular sickness audits are undertaken and manager drop in session are available to support managers in ensuring staff are encouraged back to work.

The Trust also offers and provides staff with free access to a diverse range of traditional medical, psychological and complementary therapy interventions, to assist them to proactively and reactively manage their health and wellbeing. This includes an Employee Assistance Programme, which family members can also access for free.

The top reason for sickness absence across the Trust continues to be psychological ill health. To provide staff with appropriate and additional support in an unprecedented year, the Trust has focused on interventions to support the psychological wellbeing of our staff. This has included drop in session with our psychology team as well as on site support from our EAP service. As part of our Health and Wellbeing plan we are training mental health first aid champions and run a number of staff networks to support staff shielding and BAME staff.

STAFF POLICIES

All Trust policies and procedures are equality impact assessed against the nine protected characteristics, to ensure that they do not discriminate against people who apply to work in the Trust or are employed by the Trust. All Trust policies and procedures are available to access via the Trust Internet website.

~~SALARY AND PENSION DISCLOSURE TABLES (AUDITED)~~ SINGLE TOTAL FIGURE OF REMUNERATION

This Remuneration Report includes a single total figure of remuneration. The amount of pension benefits for the year which contributes to the single total figure is calculated based on guidance provided by the NHS Business Services Authority Pensions Agency.

The amount included in the table for pension benefit is based on the increase in accrued pension adjusted for inflation. This will generally take into account an additional year of service together with any changes in pensionable pay. This is not an amount which has been paid to an individual by the Trust during the year; it is a calculation which uses information from the pension benefit table. These figures can be influenced by many factors e.g. changes in a person's salary, whether or not they choose to make additional contributions to the pension scheme from their pay, and other valuation factors affecting the pension scheme as a whole.

The salary and pension disclosures reflect the senior managers' information. As indicated on page 8-12 the senior management team consists of the Chief Executive, the Executive Directors and the Independent Members (Non-Executive Directors), the Director of Strategic Transformation, Planning, and Digital, the Chief Operating Officer, and the Director of Corporate Governance / Trust Secretary.

**SALARY AND PENSION DISCLOSURE TABLES (AUDITED) –
SINGLE TOTAL FIGURE OF REMUNERATION
(CONTINUED)**

	2020/2021					2019/2020				
Name and Title	Salary (bands of £5,000)	Other Remuneration (bands of £5,000)	Benefits in Kind (to the nearest £100)	Pension benefits (to the nearest £1,000)	Total (to the nearest £5,000)	Salary (bands of £5,000)	Other Remuneration (bands of £5,000)	Benefits in Kind (to the nearest £100)	Pension benefits (to the nearest £1,000)	Total (to the nearest £5,000)
Executive Directors and Senior Managers										
Steve Ham Chief Executive	140-145	0	0	23	165-170	140-145	0	0	17	155-160
Mark Osland Executive Director of Finance	105-110	0	0	27	130-135	105-110	0	0	26	130-135
Jacinta Abraham ¹ Medical Director	110-115	25-30	0	48	190-195	110-115	25-30	1	38	175-180
Catherine O'Brien Interim Chief Operating Officer	115-120	0	0	22	135-140	115-120	0-5	0	45	160-165
Lauren Fear ² Director of Corporate Governance	85-90	0	0	21	105-110	25-30	0	0	7	35-40
Nicola Williams Executive Director of Nursing, AHP and Healthcare Scientists	105-110	0	0	38	145-150	60-65	0	0	-	-
Sarah Morley Executive Director of Organisational Development and Workforce	95-100	0	0	26	120-125	90-95	0	0	21	115-120

Name and Title	2020/2021					2019/2020				
	Salary (bands of £5,000)	Other Remuneration (bands of £5,000)	Benefits in Kind (to the nearest £100)	Pension benefits (to the nearest £1,000)	Total (to the nearest £5,000)	Salary (bands of £5,000)	Other Remuneration (bands of £5,000)	Benefits in Kind (to the nearest £100)	Pension benefits (to the nearest £1,000)	Total (to the nearest £5,000)
Susan Thomas ³ Interim Executive Director of Organisational Development and Workforce	10-15	0	0	3	10-15	10-15	0	0	-	-
Carl James ⁴ Director of Strategic Transformation, Planning, and Digital	115-120	0	40	32	150-155	115-120	0	52	26	145-150

Notes:

1. Other remuneration for J Abraham relates to clinical responsibilities.
2. L Fear was appointed on an interim basis from 02/12/2019. This appointment was made permanent on 01/12/2020.
3. S Thomas was appointed on an interim basis to the role of Executive Director of Organisational Development & Workforce to cover a period of absence from 10/02/2020 to 09/05/2020 for S Morley.
4. Benefits in kind for C James relate to the use of a Trust lease car and taxable mileage payments.

**SALARY AND PENSION DISCLOSURE TABLES (AUDITED) –
SINGLE TOTAL FIGURE OF REMUNERATION
(CONTINUED)**

Name and Title	2020/2021					2019/2020				
	Salary (bands of £5,000)	Other Remuneration (bands of £5,000)	Benefits in Kind (to the nearest £100)	Pension benefits (to the nearest £1,000)	Total (to the nearest £5,000)	Salary (bands of £5,000)	Other Remuneration (bands of £5,000)	Benefits in Kind (to the nearest £100)	Pension benefits (to the nearest £1,000)	Total (to the nearest £5,000)
Independent Members/Non -Executive Directors										
Donna Mead	40-45	0	0	0	40-45	40-45	0	0	0	40-45
Janet Pickles	5-10	0	0	0	5-10	5-10	0	0	0	5-10
Martin Veale	5-10	0	0	0	5-10	5-10	0	0	0	5-10
Stephen Harries	30-35	0	0	0	30-35	30-35	0	0	0	30-35
Donald Fraser	5-10	0	0	0	5-10	0-5	0	0	0	0-5
Gareth Jones	5-10	0	0	0	5-10	0-5	0	0	0	0-5
Hilary Jones	5-10	0	0	0	5-10	0-5	0	0	0	0-5

SALA RY AND PENSION DISCLOSU RE

C ASH EQU IVALENT TRANSFER VA L UE S

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or an arrangement to secure pension benefits in another pension scheme or an arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme.

The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures and the other pension details include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

REAL INCREASE IN CETV

This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another scheme or arrangement) and uses common market valuation factors for the start and end of the period.

SALARY AND PENSION DISCLOSURE TABLES (AUDITED) – BOARD MEMBER AND VERY SENIOR MANAGER PENSIONS

Name and Title	Real increase in pension at age 60 (bands of £2,500)	Real increase in pension lump sum at aged 60 (bands of £2,500)	Total accrued pension at age 60 at 31 March 2021 (bands of £5,000)	Lump sum at age 60 related to accrued pension at 31 March 2021 (bands of £5,000)	Cash Equivalent Transfer Value at 31 March 2021	Cash Equivalent Transfer Value at 31 March 2020	Real increase in Cash Equivalent Transfer Value	Employer's contribution to stakeholder pension
	£000	£000	£000	£000	£000	£000	£000	£000
Steve Ham Chief Executive	0-2.5	5-7.5	40-45	125-130	- ¹	-	-	0
Mark Osland Executive Director of Finance	2-2.5	0	5-10	0	143	108	19	0
Jacinta Abraham Medical Director	2.5-5	(0-2.5)	45-50	95-100	919	842	43	0
Catherine O'Brien Interim Chief Operating Officer	0-2.5	0	20-25	0	347	309	17	0
Lauren Fear Director of Corporate Governance	0-2.5	0	0-5	0	19	5	2	0
Nicola Williams Executive Director Nursing, AHP and Healthcare Scientists	2.5-5	0-2.5	45-50	125-130	956	885	42	0

Name and Title	Real increase in pension at age 60 (bands of £2,500)	Real increase in pension lump sum at aged 60 (bands of £2,500)	Total accrued pension at age 60 at 31 March 2021 (bands of £5,000)	Lump sum at age 60 related to accrued pension at 31 March 2021 (bands of £5,000)	Cash Equivalent Transfer Value at 31 March 2021	Cash Equivalent Transfer Value at 31 March 2020	Real increase in Cash Equivalent Transfer Value	Employer's contribution to stakeholder pension
	£000	£000	£000	£000	£000	£000	£000	£000
Sarah Morley Executive Director of Organisational Development and Workforce	0-2.5	0-2.5	25-30	60-65	581	532	27	0
Susan Thomas ² Interim Executive Director of Organisational Development and Workforce	0-2.5	0-2.5	25-30	55-60	459	349	1	0
Carl James Director of Strategic Transformation, Planning & Digital	0-2.5	0	50-55	0	647	594	25	0

Notes:

1. S Ham - no CETV will be shown for senior managers over Normal Pension Age (NPA).
- 2.S Thomas was appointed on an interim basis to the role of Executive Director of Organisational Development & Workforce to cover a period of absence from 10/02/2020 to 09/05/2020 for S Morley.

As Independent Members do not receive pensionable remuneration, there are no entries in respect of pensions for Independent Members.

R E P O R T I N G O F O T H E R C O M P E N S A T I O N S C H E M E S – E X I T P A C K A G E S

During 2020/2021 exit packages were approved for 7 staff with a value of £252,756 (8 staff, value £209,837 2019/2020). £34,419 exit costs were paid in 2020/2021, the year of departure (£102,501 2019/2020). These packages were paid in accordance with recognised NHS terms and conditions of service/Trust Policy. None of the exit packages reported related to senior officers. Two of the payments related to a special severance payment. The actual date of departure might be in a subsequent period.

R E M U N E R A T I O N R E L A T I O N S H I P

Reporting bodies 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.

The banded remuneration of the highest paid director in Velindre University NHS Trust in the financial year 2020/2021 was £140,000 - £145,000 (2019/2020, £140,000 - £145,000). This was 4.7 times (2019/2020, 4.9) the median remuneration of the workforce, which was £30,516 (2019/2020, £29,009).

In 2020/2021, 13 (2019/2020, 9) employees received remuneration in excess of the highest paid Director.

Remuneration for all staff ranged from £18,000 to £234,100 (2019/2020 £17,700 to £207,000).

Total remuneration includes salary and benefits in kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

Overtime payments are included in the calculation of both elements of the relationship.

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.

EXPENDITURE ON CONSULTANCY

During 2020/2021 the Trust spent £5.972m of its revenue funding on external consultancy fees (£4.337m related to the NHS Wales Informatics Service and £0.935m to the NHS Wales Shared Services Partnership); and £2.717m of its capital funding (£0.57m related to the NHS Wales Informatics Service).

Examples include:

- Accountancy fees
- Legal fees
- Design fees
- Project management fees & support costs
- IT consultancy and advice
- Fees relating to building management, including surveyor & electrical costs.

TAX ARRANGEMENTS FOR OFF-PAYROLL ENGAGEMENTS

Following the Review of Tax Arrangements of Public Sector Appointees published by the Chief Secretary to the Treasury on 23 May 2012, departments must publish information on their highly paid and/or senior off-payroll engagements. The information, contained in the three tables below, includes all off-payroll engagements as at 31 March 2021 for those earning more than £245 per day for the core Trust and its hosted organisations.

Table 1: For all off-payroll engagements as of 31 March 2021, for those earning more than £245 per day

No. of Existing Engagements as of 31 March 2021	56
Of which the number that have existed.	
for less than one year at time of reporting.	35
for between one and two years at time of reporting.	7
for between two and three years at time of reporting.	5
No. that have existed for between three and four years at time of reporting.	8

No. that have existed for four or more years at time of reporting.	1
--	---

Within the total number of off-payroll engagements disclosed, eleven engagements related to staff seconded from other NHS Wales Organisations.

All the off-payroll engagements, outlined above, have at some point been subject to a risk based assessment as to whether assurance is required that the individual is paying the right amount of tax, and where necessary, that assurance has been sought.

Table 2: For all new off-payroll engagements between 1 April 2020 and 31 March 2021, for more than £245 per day

No. of new engagements, between 1 April 2020 and 31 March 2021	41
Of which:	
No. assessed as caught by IR 35.	4 0
No. assessed as not caught by IR 35.	1
No. engaged directly (via PSC contracted to department) and are on the departmental payroll.	1
No. of engagements reassessed for consistency/assurance purposes during the year.	13
No. of engagements that saw a change to IR 35 status following the consistency review.	0

Within the total number of new off-payroll engagements disclosed, eight engagements related to staff seconded from other NHS Wales Organisations.

Table 3: For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2020 and 31 March 2021

No. of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	0
No. of individuals that have been deemed “board members, and/or, senior officials with significant financial responsibility”, during the financial year. This figure should include both off-payroll and on-payroll engagements.	0

PARLIAMENTARY ACCOUNTABILITY AND AUDIT REPORT

Where the Trust undertakes activities that are not funded by the Welsh Government the Trust receives income to cover its costs. Further detail of income received is published in the Trust's annual accounts; within note 4 headed 'other operating revenue'.

The Trust confirms it has complied with cost allocation and the charging requirements set out in HM Treasury guidance during the year.

The Trust ensures public funds are used appropriately and to deliver the intended objectives. Expenditure this year was again regular and compliant with the relevant legislation. Fees and charges for services provided by public sector organisations pass on the full cost of providing those services and are in accord with Welsh Government requirements.

The Trust hosts the Welsh Risk Pool (WRP) as part of NHS Wales Shared Services Partnership (NWSSP) and therefore its accounts include the estimates of remote contingent liabilities from Welsh Health Organisations for potential litigation claims that could arise in the future due to known incidents. In 2020/2021, the financial statements of the Trust are reporting total remote contingent liabilities of £61m.

AUDIT CERTIFICATE AND AUDITOR GENERAL FOR WALES REPORT

R E P O R T O N T H E A U D I T O F T H E F I N A N C I A L S T A T E M E N T S

Opinion

I certify that I have audited the financial statements of Velindre University NHS Trust and its group for the year ended 31 March 2021 under Section 61 of the Public Audit (Wales) Act 2004. These comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Cash Flow Statement and the Consolidated 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, except for the possible effects of the matters described in the 'Basis for qualified opinion' section of my report, the financial statements:

- give a true and fair view of the state of affairs of Velindre University NHS Trust and its group as at 31 March 2021 and of its surplus for the year then ended;
- have been properly prepared in accordance with 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.

Basis for qualified opinion

Note 16.1 of the financial statements discloses an inventory balance of £95.564 million as at 31 March 2021. Due to the impact of the COVID-19 pandemic and the statutory lockdown arrangements that took effect from 23 March 2020, I was unable to observe and reperform parts of the Trust's count of its inventories on 31 March 2021. As I have been unable to obtain the required audit assurance by alternative means, I am therefore unable to determine whether the Trust's reported year-end inventory balance of £95.564 million is materially true and fair.

Opinion on regularity

In my opinion, 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 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 Page 13 of 22 - Audit of Accounts Report Velindre University NHS Trust

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 and its group 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.

Emphasis of Matter – Clinicians' pension tax liabilities

I draw attention to Note 24 of the financial statements, which describes the impact of a Ministerial Direction issued on 18 December 2019 to the Permanent Secretary of the Welsh Government. My opinion is not modified in respect of this matter.

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 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 for the financial year for which the financial statements are prepared is consistent with the financial statements and the Performance Report has 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 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 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 set out on pages 17 and 18 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, internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to Velindre NHS University 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 the following areas: revenue recognition and the posting of unusual journals.
 - Obtaining an understanding of Velindre NHS University Trust's framework of authority as well as other legal and regulatory frameworks that the Velindre NHS University 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 Velindre NHS University 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 Velindre NHS University 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.

Adrian Crompton
Auditor General for Wales
15 June 2021

24 Cathedral Road
Cardiff
CF11 9LJ

TRUST BOARD

ANNUAL ACCOUNTS 2020-21

DATE OF MEETING	8 June 2021
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PUBLIC OR PRIVATE REPORT	Public
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IF PRIVATE PLEASE INDICATE REASON	Not Applicable - Public Report
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PREPARED BY	Mark Osland, Executive Director of Finance
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PRESENTED BY	Mark Osland, Executive Director of Finance
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EXECUTIVE SPONSOR APPROVED	Mark Osland, Executive Director of Finance & Informatics
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REPORT PURPOSE	FOR APPROVAL
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COMMITTEE/GROUP WHO HAVE RECEIVED OR CONSIDERED THIS PAPER PRIOR TO THIS MEETING

COMMITTEE OR GROUP	DATE	OUTCOME
Audit Committee	8 June 2021	Endorsed

ACRONYMS	

1. BACKGROUND

- 1.1 In line with Welsh Government and HM Treasury Guidance, the Trust has produced the Annual Statutory Accounts for the period 2020-21.
- 1.2 The Annual Accounts will be incorporated into the final Annual Report and submitted to Welsh Government on 11 June 2021.
- 1.3 The Auditor General for Wales is due to sign his Audit Certificate and Report on 15 June 2021.
- 1.4 The Annual Report and Accounts will be presented at the Trusts Annual General Meeting on the 28 July 2021.

2. SUMMARY OF MATTERS FOR CONSIDERATION

- 2.1 The Annual Accounts incorporate the financial outturn for the Trust and its Hosted Bodies for the year ended 31 March 2021.
- 2.2 The financial outturn for the Trusts **core services** against the key financial targets were:

Revenue Budget - **£17k underspend** (consolidated position £38k)
Capital Budget - **£5k underspend**
Payment performance – **96.7%** of non NHS invoices paid within 30 days (95% target).
- 2.3 The consolidated position presented within the attached Annual Accounts confirms that as a statutory body, Velindre met its statutory and administrative financial targets. This is shown on page 25 of the accounts and is reproduced below.

Financial Duty

	Annual financial performance			2018-19 to 2020-21
	2018-19	2019-20	2020-21	Financial
	£000	£000	£000	duty
				£000
Retained surplus	55	41	1,222	1,318
Less Donated asset / grant funded revenue adjustment	(24)	(17)	(1,184)	(1,225)
Adjusted surplus/ (Deficit)	31	24	38	93

Integrated Medium Term Plan (IMTP)

The Trust submitted an Integrated Medium Term Plan for the period 2019/2020 - 2021/2022 in accordance with the NHS Wales Planning Framework, which was subsequently approved by the Cabinet Secretary. The process for 2020/2023 was paused in the spring due to the pandemic, and the approval process was not completed. The approval status of the Trust's plan remains extant at that point.

A Ministerial Direction has subsequently been issued which the Trust has complied with and therefore have met this target.

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:

		2020-21	2019-20
Total number of non-NHS bills paid		76,838	74,370
Total number of non-NHS bills paid within target		74,285	72,416
Percentage of non-NHS bills paid within target		96.7%	97.4%
The Trust has met the target.			

2.4 Audit Wales have concluded their external Audit of the accounts and have reported their main findings within their ISA260 report. In terms of the preparation of the financial statements and the financial controls in place, the report has no significant observations or material matters to report and Audit Wales have stated that they were grateful for all deadlines being met and were pleased with the quality of the working papers and evidence provided in support of the financial statements.

2.5 There are two specific issues that need to be brought to the Boards attention.

- (i) Firstly, the Auditor General will be issuing a **qualified 'limitation of scope'** opinion. This is specifically in relation to Audit Wales being unable to conduct a physical stocktake of our inventories at 31 March due to Covid restrictions. The amount reported in our Balance Sheet is over £95m (primarily NWSSP) and is therefore material. Physical stocktake attendance by Auditors is mandated by professional auditing standards and as this was not undertaken the 'limitation of scope' opinion has been reported. Audit Wales have emphasised that this qualification is not due

to any shortcomings in the Trust's systems or actions, but because of the impact of Covid-19 on one of their key audit procedures.

- (ii) The second issue is that the audit report will also include an 'Emphasis of Matter' issue in relation to a Ministerial Direction issued to the permanent secretary in December 2019, regarding the funding of Clinicians pension tax liabilities. The Board may recall that this was included last year and relates to the potential additional pension tax charges for clinicians where they are taking on additional work and the increased pension contributions could exceed the annual or lifetime pension allowance limits. The Ministerial direction required the Permanent Secretary to proceed with plans to commit to making payments to clinical staff to restore the value of their pension benefits package. Any such payments would be regarded as 'irregular' expenditure by the Auditor General. The Trust currently has insufficient information to calculate and recognise an estimate of any potential costs and therefore no expenditure is recognised in the financial statements but as required, the Trust has disclosed a contingent liability in note 24 of its financial statements.
- 2.6 It is important to note that Audit Wales will be reporting that the accounts present a true and fair view of the state of affairs of the Trust as at 31 March 2021 and of its surplus for the year except for the inventory balance which they cannot say is materially true and fair as they could not perform the required physical stocktake.
- 2.7 Welsh Government have been informed of the above matters and have confirmed that there will be no impact or implications for us as an organisation, particularly as we have met our statutory duties.
- 2.8 The Auditor General is due to complete his report and sign his Certificate on 15 June 2021.
- 2.9 The accounts were presented to the Audit Committee this morning and have been endorsed for Board approval.

3. IMPACT ASSESSMENT

QUALITY AND SAFETY IMPLICATIONS/IMPACT	There are no specific quality and safety implications related to the activity outlined in this report.
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RELATED HEALTHCARE STANDARD	Governance, Leadership and Accountability
	If more than one Healthcare Standard applies please list below:
EQUALITY IMPACT ASSESSMENT COMPLETED	Not required
LEGAL IMPLICATIONS / IMPACT	The trust has met his legal obligations to meet its key financial targets.
FINANCIAL IMPLICATIONS / IMPACT	No direct financial implications other than the cost of the external audit at £144k

4. RECOMMENDATION

4.1 The Trust Board are requested to **APPROVE** the Annual Statutory Accounts for 2020-21.

Velindre University NHS Trust

Finance Report 2020-2021



Velindre University NHS Trust

Foreword

These accounts for the period ended 31 March 2021 have been prepared to comply with International Financial Reporting Standards (IFRS) adopted by the European Union, in accordance with HM Treasury's FReM by Velindre University 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.

These are Group accounts showing the accounts of the Trust including those organisations hosted by it (see 'Statutory background' below), and are consolidated with the Trust's Charitable Fund of which the Trust is the Corporate Trustee.

Statutory background

The Trust was established by Statutory Instrument on 1 April 1994 and at that time was a single specialty Trust providing only Cancer Services. Over the last 27 years, the Trust has significantly evolved and expanded. The main function of the Trust is to provide all-Wales and regional clinical health services to the NHS and the people of Wales. The Trust consists of two clinical divisions: the Welsh Blood Service and Velindre Cancer Centre.

In addition to the above services, the Trust is host to a number of organisations. At period ended 31 March 2021, these included:

- NHS Wales Informatics Service (NWIS) which was established as a hosted body on 1 April 2010; - NHS Wales Shared Services Partnership (NWSSP) which was set up on 1 April 2011; following which the functions of a number of separate services were transferred into NWSSP. NWSSP became a hosted body within Velindre NHS Trust on 1 June 2012. One new All Wales service was established within NWSSP during 2020-2021: the All Wales Collaborative Bank Partnership; and two existing services commenced expansion - the Single Lead Employer Scheme to include pre-registration pharmacists, dental foundation trainees and the phased intake of core and specialty medical trainees which will continue until May 2022; and the General Medical Practice Indemnity Scheme to include the first phased intake to the Existing Liability Scheme.
- Health Technology Wales (HTW) which was established on 1 April 2016 and continued to receive grant funding from Welsh Government under the Efficiency through Technology Programme.

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 2020-2021. 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 2021

	Note	2020-21 £000 NHS Trust	2019-20 £000	2020-21 £000 Consolidated	2019-20 £000
Revenue from patient care activities	3	576,716	429,374	576,716	429,374
Other operating revenue	4	271,507	142,612	271,689	143,268
Operating expenses	5.1	(846,661)	(572,235)	(846,946)	(572,885)
Operating (deficit)/surplus		1,562	(249)	1,459	(243)
Investment revenue	6	0	109	133	259
Other gains and losses	7	25	2	25	2
Finance costs	8	(365)	179	(365)	179
Consolidated Total				1,252	197
Retained surplus	2.1.1	1,222	41		
Other Comprehensive Income					
Items that will not be reclassified to net operating costs:					
Net gain/(loss) on revaluation of property, plant and equipment		1,543	1,007	1,543	1,007
Net gain/(loss) on revaluation of intangible assets		0	0	0	0
Net gain/(loss) on revaluation of financial assets		0	0	727	(518)
Movements in other reserves		0	0	0	0
Net gain/(loss) on revaluation of PPE and Intangible assets held for sale		0	0	0	0
Impairments and reversals		0	0	0	0
Transfers between reserves		0	0	0	0
Reclassification adjustment on disposal of available for sale financial assets		0	0	0	0
Sub total		1,543	1,007	2,270	489
Items that may be reclassified subsequently to net operating costs					
Net gain/(loss) on revaluation of financial assets held for sale		0	0	0	0
Sub total		0	0	0	0
Total other comprehensive income for the year		1,543	1,007	2,270	489
Total comprehensive income for the year		2,765	1,048	3,522	686

The notes on pages 6 to 74 form part of these accounts.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021

	Note	31 March 2021	31 March 2020	31 March 2021	31 March 2020
		NHS Trust £000		Consolidated £000	
Non-current assets					
Property, plant and equipment	13	136,558	129,554	136,558	129,554
Intangible assets	14	20,821	17,644	20,821	17,644
Trade and other receivables	17.1	817,142	862,962	817,142	862,962
Other financial assets	18	0	0	5,613	4,606
Total non-current assets		974,521	1,010,160	980,134	1,014,766
Current assets					
Inventories	16.1	95,564	13,134	95,564	13,134
Trade and other receivables	17.1	548,836	414,260	548,529	414,353
Other financial assets	18	0	0	0	0
Cash and cash equivalents	19	43,263	18,263	44,811	19,735
		687,663	445,657	688,904	447,222
Non-current assets held for sale	13.2	0	0	0	0
Total current assets		687,663	445,657	688,904	447,222
Total assets		1,662,184	1,455,817	1,669,038	1,461,988
Current liabilities					
Trade and other payables	20	(353,136)	(166,270)	(353,243)	(166,450)
Borrowings	21	(8)	(21)	(8)	(21)
Other financial liabilities	22	0	0	0	0
Provisions	23	(316,959)	(272,376)	(316,959)	(272,376)
Total current liabilities		(670,103)	(438,667)	(670,210)	(438,847)
Net current assets/(liabilities)		17,560	6,990	18,694	8,375
Total assets less current liabilities		992,081	1,017,150	998,828	1,023,141
Non-current liabilities					
Trade and other payables	20	(7,301)	0	(7,301)	0
Borrowings	21	0	(8)	0	(8)
Other financial liabilities	22	0	0	0	0
Provisions	23	(818,782)	(863,259)	(818,782)	(863,259)
Total non-current liabilities		(826,083)	(863,267)	(826,083)	(863,267)
Total assets employed		165,998	153,883	172,745	159,873
Financed by Taxpayers' equity:					
Public dividend capital		122,468	113,118	122,468	113,118
Retained earnings		15,552	12,432	15,552	12,432
Revaluation reserve		27,978	28,333	27,978	28,333
Other reserves		0	0	0	0
Funds Held on Trust Reserves				6,747	5,990
Total taxpayers' equity		165,998	153,883	172,745	159,873

The financial statements were approved by the Board on 8 June 2021 and signed on behalf of the Board by:

Date: 8 June 2021

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	FHOT Reserves £000	Consolidated Total £000
Changes in taxpayers' equity for 2020-21						
Balance as at 31 March 2020	113,118	12,432	28,333	153,883	5,990	159,873
Adjustment	0	0	0	0	0	0
Balance at 1 April 2020	113,118	12,432	28,333	153,883	5,990	159,873
Retained surplus/(deficit) for the year		1,222		1,222		1,222
Net gain/(loss) on revaluation of property, plant and equipment		0	1,543	1,543		1,543
Net gain/(loss) on revaluation of intangible assets		0	0	0		0
Net gain/(loss) on revaluation of financial assets		0	0	0	727	727
Net gain/(loss) on revaluation of assets held for sale		0	0	0		0
Net gain/(loss) on revaluation of financial assets held for sale		0	0	0		0
Impairments and reversals		0	0	0		0
Other reserve movement		0	0	0		0
Transfers between reserves		1,898	(1,898)	0		0
Reclassification adjustment on disposal of available for sale financial assets		0	0	0		0
Reserves eliminated on dissolution	0			0		0
Total in year movement	0	3,120	(355)	2,765	727	3,492
New Public Dividend Capital received	9,485			9,485		9,485
Public Dividend Capital repaid in year	(135)			(135)		(135)
Public Dividend Capital extinguished/written off	0			0		0
Other movements in PDC in year	0			0		0
FHoT - Endowment					0	0
FHoT - Restricted					0	0
FHoT - Unrestricted					30	30
Balance at 31 March 2021	122,468	15,552	27,978	165,998	6,747	172,745

The notes on pages 6 to 74 form part of these accounts.

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY

	Public Dividend Capital £000	Retained earnings £000	Revaluation reserve £000	Total £000	Funds held on Trust Reserves £000	Consolidated Total £000
2019-20						
Changes in taxpayers' equity for 2019-20						
Balance at 31 March 2019	108,461	12,353	27,364	148,178	6,355	154,533
Adjustment for Implementation of IFRS 9	0	0	0	0	0	0
Balance at 1 April 2019	108,461	12,353	27,364	148,178	6,355	154,533
Retained surplus/(deficit) for the year		41		41		41
Net gain/(loss) on revaluation of property, plant and equipment		0	1,007	1,007		1,007
Net gain/(loss) on revaluation of intangible assets		0	0	0		0
Net gain/(loss) on revaluation of financial assets		0	0	0	(518)	(518)
Net gain/(loss) on revaluation of assets held for sale		0	0	0		0
Net gain/(loss) on revaluation of financial assets held for sale		0	0	0		0
Impairments and reversals		0	0	0		0
Other reserve movement		0	0	0		0
Transfers between reserves		38	(38)	0		0
Reclassification adjustment on disposal of available for sale financial assets		0	0	0		0
Reserves eliminated on dissolution	0			0		0
Total in year movement	0	79	969	1,048	(518)	530
New Public Dividend Capital received	4,522			4,522		4,522
Public Dividend Capital repaid in year	0			0		0
Public Dividend Capital extinguished/ written off	0			0		0
Other movements in PDC in year	135			135		135
FHoT - Endowment					0	0
FHoT - Restricted					0	0
FHoT - Unrestricted					153	153
Balance at 31 March 2020	113,118	12,432	28,333	153,883	5,990	159,873

The notes on pages 6 to 74 form part of these accounts.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

		2020-21	2019-20	2020-21	2019-20
	Note	£000	£000	£000	£000
Cash flows from operating activities		NHS Trust		Consolidated	
Operating surplus/(deficit)	SOCI	1,562	(249)	1,459	(243)
Movements in working capital	30	25,279	(52,654)	25,751	(52,849)
Other cash flow adjustments	31	127,532	171,398	127,532	171,398
Provisions utilised		(111,055)	(101,749)	(111,055)	(101,749)
Interest paid		0	(2)	0	(2)
Net cash inflow (outflow) from operating activities		43,318	16,744	43,687	16,555
Cash flows from investing activities					
Interest received		0	109	133	259
(Payments) for property, plant and equipment		(19,738)	(15,279)	(19,738)	(15,279)
Proceeds from disposal of property, plant and equipment		192	10	192	10
(Payments) for intangible assets		(7,783)	(8,768)	(7,783)	(8,768)
Proceeds from disposal of intangible assets		0	0	0	0
Payments for investments with Welsh Government		0	0	0	0
Proceeds from disposals with Welsh Government		0	0	0	0
(Payments) for financial assets.		0	0	(1,886)	(1,385)
Proceeds from disposal of financial assets.		0	0	1,460	1,461
Net cash inflow (outflow) from investing activities		(27,329)	(23,928)	(27,622)	(23,702)
Net cash inflow (outflow) before financing		15,989	(7,184)	16,065	(7,147)
Cash flows from financing activities					
Public Dividend Capital received		9,485	4,522	9,485	4,522
Public Dividend Capital repaid		(135)	0	(135)	0
Loans received from Welsh Government		0	0	0	0
Other loans received		0	0	0	0
Loans repaid to Welsh Government		0	0	0	0
Other loans repaid		0	0	0	0
Other capital receipts		0	0	0	0
Capital elements of finance leases and on-SOFP PFI		(21)	(24)	(21)	(24)
Cash transferred (to)/from other NHS Wales bodies		(318)	0	(318)	0
Net cash inflow (outflow) from financing activities		9,011	4,498	9,011	4,498
Net increase (decrease) in cash and cash equivalents		25,000	(2,686)	25,076	(2,649)
Cash [and] cash equivalents at the beginning of the financial year	19	18,263	20,949	19,735	22,384
Cash [and] cash equivalents at the end of the financial year	19	43,263	18,263	44,811	19,735

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 2020-2021 Manual for Accounts. The accounting policies contained in that manual follow the 2020-2021 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 FReM. 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 the NHS Wales organisation 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 the NHS Wales organisation'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. NHS Wales' organisations 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 the NHS organisation or the asset which would prevent access to the market at the reporting date. If the NHS organisation 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 IFRS 13.

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, the NHS Wales organisation; 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 the NHS Wales organisation expects to obtain economic benefits or service potential from the asset. This is specific to the NHS Wales organisation 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, the NHS Wales organisation 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 SoCI. 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 the 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 the NHS Wales organisation net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the NHS Wales organisation'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 the NHS Wales organisation has a present legal or constructive obligation as a result of a past event, it is probable that the NHS Wales organisation 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. A n onerous contract is considered to exist where the NHS Wales organisation 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 the NHS Wales organisation 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 NHS Wales organisations 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 the NHS Wales organisation 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, the NHS Wales organisation 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. These 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 the NHS Wales organisation 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 the NHS Wales organisation 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 the NHS Wales organisation 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.

The NHS Wales organisation accounts for all losses and special payments gross (including assistance from the WRPS).

The NHS Wales organisation 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

The NHS Wales organisation 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

The NHS Wales organisation 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 the NHS Wales organisations, 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.

Discounting provisions

The WRPS discounts estimate future lump sums within the provisions which are assumed to settle over a 3 year period.

A proportion of the lump sum estimates are assumed to settle with RPI indexed annual payments and the remainder as Annual Survey of Hours and Earnings (ASHE) indexed annual payments.

The HM Treasury short term nominal discount rate of -0.02% (2019/2020: 0.51%) is applied to the RPI proportion of the lump sum estimate using the retail price index (RPI) inflation rate of 3.22%.

The remainder is discounted by applying the Annual Survey of Hours and Earnings (ASHE) real discount rate of 0.7%.

PPO Provisions

The majority of high value (>£1M) claims settle with a Periodical Payment Order (PPO) where part or all of the final settlement value is paid over the life time of the claimant.

When cases settle with a PPO arrangement, an individual provision is created by multiplying the claimants' index linked annual payment value by the number of years' life expectancy.

Future cashflows are modelled based on individual claim data and include any agreed future steps in payment value.

The number of years' life expectancy is discounted according to the Ogden table multipliers using HM Treasury's nominal discount rate for general provisions issued annually in the Public Expenditure System (PES) paper and an inflation factor.

For 2020-2021, the nominal short, medium, long and very long term rates are: -0.02%, (0-5 years), 0.18%, (+5-10 years) 1.99%(+10-40 years) and 1.99% (over 40 years) respectively.

The inflation factor applied is dependent upon the rate agreed as part of the settlement of the claimant's case. Where annual payments are required to be uplifted by the RPI, the RPI rate of 3.22% has been used for the period up to and including 31st January 2030 and 2.32% thereafter. Where annual payments are required to be uplifted based on market data for carers' wages, the annual survey of hours and earnings (ASHE) discount rate of 0.7% has been applied.

The probabilities of survival for each claimant are based on estimated life expectancy, agreed by medical experts in each case.

1.26 Private Finance Initiative (PFI) transactions

The Trust has no PFI arrangements.

1.27 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 the NHS Wales organisation, 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 the NHS Wales organisation. 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.

1.28 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.

1.29 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.

1.30 Accounting standards issued that have been adopted early

During 2020-2021 there have been no accounting standards that have been adopted early. All early adoption of accounting standards will be led by HM Treasury.

1.31 Charities

Following Treasury's agreement to apply IAS 27 to NHS Charities from 1 April 2013, the Trust has established that as it is the corporate trustee of the Velindre University NHS Trust Charitable Fund it is therefore considered for accounting standards compliance to have control of Velindre University NHS Trust Charitable Fund as a subsidiary, and with the agreement of Welsh Government has made the decision to consolidate the Velindre University NHS Trust Charitable Fund within the statutory accounts of the Trust.

The determination of control is an accounting standard test of control and there has been no change to the operation of the Velindre University NHS Trust Charitable Fund or its independence in its management of charitable funds.

Welsh Government as the ultimate parent of the NHS Wales organisations will disclose the Charitable Accounts in the Welsh Government Consolidated Accounts. Details of the transactions with the charity are included in the related parties notes.

1.32 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'.

1.33 Borrowing costs

Borrowing costs are recognised as expenses as they are incurred.

1.34 Public Dividend Capital (PDC) and PDC dividend

PDC represents taxpayers' equity in the NHS Wales organisation. 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 the NHS Wales organisation. 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			2018-19 to 2020-21 Financial duty £000
	2018-19 £000	2019-20 £000	2020-21 £000	
Retained surplus	55	41	1,222	1,318
Less Donated asset / grant funded revenue adjustment	(24)	(17)	(1,184)	(1,225)
Adjusted surplus/ (Deficit)	31	24	38	93

The increase in donated assets received in 2020-2021 primarily relates to assets provided to the Trust and NWSSP by the DHSC to support the COVID-19 pandemic: £29k for the Trust and £1,105k for NWSSP (held on behalf of NHS Wales). The remaining assets were provided by the Trust Charitable Fund: £50k. Of the £1,184k total, £79k related to capital assets, and £1,105k was in respect of revenue items held as stock by NWSSP.

Velindre University NHS Trust has met its financial duty to break even over the 3 years 2018-2019 to 2020-2021.

2.1.2 Integrated Medium Term Plan (IMTP)

Due to the pandemic, the process for the 2020-2023 integrated plan was paused in Spring 2020 and a temporary quarterly planning arrangement put in place for 2020-2021.

As a result the extant planning duty for 2020-2021 remains the requirement to submit and have approved a 2019-2022 integrated plan, as set out in the NHS Wales Planning Framework 2019-22.

Velindre University NHS Trust submitted a 2019-2022 integrated plan in accordance with the planning framework.

The Minister for Health and Social Services extant approval.

Status	Approved
Date	26/03/2019

2. Financial Performance (cont)

2.2 ADMINISTRATIVE REQUIREMENTS

2.2.1. External financing

Due to the circumstances that arose as a result of Coronavirus Covid 19:

- the suspension of the National Loan Fund temporary deposit facility, and
- the requirement to issue year-end capital adjustments,

the requirement to achieve the administrative External Financing Target has been suspended for 2020-21.

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:

	2020-21	2019-20
Total number of non-NHS bills paid	76,838	74,370
Total number of non-NHS bills paid within target	74,285	72,416
Percentage of non-NHS bills paid within target	96.7%	97.4%
The Trust has met the target.		

3. Revenue from patient care activities	2020-21	2019-20	2020-21	2019-20
	NHS Trust £000	£000	Consolidated £000	£000
Local health boards	74,582	72,603	74,582	72,603
Services Committees (WHSCC & EASC)	47,099	46,281	47,099	46,281
Welsh NHS Trusts	2,506	1,654	2,506	1,654
Health Education and Improvement Wales (HEIW)	993	228	993	228
Foundation Trusts	62	60	62	60
Other NHS England bodies	52	20	52	20
Other NHS Bodies	0	1	0	1
Local Authorities	0	0	0	0
Welsh Government	11,144	5,856	11,144	5,856
Welsh Government Welsh Risk Pool Reimbursements				
NHS Wales Secondary Health Sector	120,386	170,523	120,386	170,523
NHS Wales Primary Sector Future Liability Scheme Reimbursement	0	0	0	0
NHS Wales Redress	2,491	2,056	2,491	2,056
Other	0	0	0	0
Welsh Government - Hosted Bodies	315,169	128,426	315,169	128,426
Non NHS:				
Private patient income	1,952	1,375	1,952	1,375
Overseas patients (non-reciprocal)	0	0	0	0
Injury Costs Recovery (ICR) Scheme	0	0	0	0
Other revenue from activities	280	291	280	291
Total	576,716	429,374	576,716	429,374
Welsh Government Covid 19 income included in total above;.	179,467	0	179,467	0
Injury Cost Recovery (ICR) Scheme income:				
	2020-21 %	2019-20 %		
To reflect expected rates of collection ICR income is subject to a provision for impairment of:	22.43	21.79		
4. Other operating revenue	2020-21	2019-20	2020-21	2019-20
	£000	£000	£000	£000
	NHS Trust		Consolidated	
Income generation	1,027	1,273	1,027	1,273
Patient transport services	0	0	0	0
Education, training and research	4,452	5,725	4,452	5,725
Charitable and other contributions to expenditure	3,998	3,587	1,497	1,444
Incoming FHoT Revenue				
Unrestricted - donations and legacies			2,683	2,799
Restricted - donations and legacies			0	0
Receipt of NWSSP Covid centrally purchased assets	0	0	0	0
Receipt of Covid centrally purchased assets from other organisations	0	0	0	0
Receipt of donations for capital acquisitions	50	18	50	18
Receipt of government grants for capital acquisitions	1,134	0	1,134	0
Non-patient care services to other bodies	705	652	705	652
Rental revenue from finance leases	0	0	0	0
Rental revenue from operating leases	0	0	0	0
Other revenue:				
Provision of pathology/microbiology services	0	0	0	0
Accommodation and catering charges	105	200	105	200
Mortuary fees	0	0	0	0
Staff payments for use of cars	158	99	158	99
Business unit	0	0	0	0
Other	259,878	131,058	259,878	131,058
Total	271,507	142,612	271,689	143,268
Total Patient Care and Operating Revenue	848,223	571,986	848,405	572,642
Other revenue comprises:				
NHS Wales Shared Services Partnership	223,532	96,991	223,532	96,991
NHS Wales Informatics Services	33,813	31,095	33,813	31,095
Other	2,533	2,971	2,533	2,971
Total	259,878	131,057	259,878	131,057
Welsh Government Covid 19 income included in total above;.	450	1,364	450	1,364

Note 37.2 provides detail on the Welsh Government funding received in relation to the COVID 19 pandemic.

In addition to the income shown in the above note, the Trust also received £9.3m of pass through funding from Welsh Government for Hospices which has been netted off within the accounts to ensure Trust income and expenditure was not overstated.

On 1st April 2019 employer pension contributions increased by 6.3%. Welsh Government funded this by making payment directly to the NHS Business Services Agency on the Trust's behalf. The notional income of £9,725m is reported with the above notes, with further detail provided in note 37.1.

5. Operating expenses
5.1 Operating expenses

	2020-21	2019-20	2020-21	2019-20
	£000	£000	£000	£000
	NHS Trust		Consolidated	
	Reclassified		Reclassified	
Local Health Boards	9,861	7,927	9,861	7,927
Welsh NHS Trusts	753	222	753	222
Health Education and Improvement Wales (HEIW)	19	0	19	0
Goods and services from other non Welsh NHS bodies	0	0	0	0
WHSSC/EASC	0	0	0	0
Local Authorities	174	75	174	75
Purchase of healthcare from non-NHS bodies	0	0	0	0
Welsh Government	0	0	0	0
Other NHS Trusts	506	495	506	495
Directors' costs	1,353	1,280	1,353	1,280
Operational Staff costs	177,956	153,682	177,956	153,682
Non operational trainee staff costs	62,340	27,441	62,340	27,441
Single lead employer Staff Trainee Cost	247	280	247	280
Collaborative Bank Staff Cost	176	0	176	0
Supplies and services - clinical	130,206	62,651	130,206	62,651
Supplies and services - general	61,768	49,001	61,768	49,001
Consultancy Services	5,972	3,601	5,972	3,601
Establishment	15,128	15,814	15,128	15,814
Transport	2,709	2,329	2,709	2,329
Premises	65,218	52,715	65,218	52,715
FHoT Resources expended				
Costs of generating funds			90	285
Charitable activities			183	365
Governance Costs			0	0
Impairments and Reversals of Receivables	0	0	0	0
Depreciation	11,739	11,677	11,739	11,677
Amortisation	5,815	5,509	5,815	5,509
Impairments and reversals of property, plant and equipment	0	0	0	0
Impairments and reversals of intangible assets	0	0	0	0
Impairments and reversals of financial assets	0	0	0	0
Impairments and reversals of non current assets held for sale	0	0	0	0
Audit fees	216	209	228	209
Other auditors' remuneration	0	0	0	0
Losses, special payments and irrecoverable debts	128,176	172,357	128,176	172,357
Research and development	0	0	0	0
NWSSP centrally purchased Covid assets issued free of charge to NHS Wales organisations	49,598	0	49,598	0
NWSSP centrally purchased Covid assets issued free of charge to other organisations	100,247	0	100,247	0
Other operating expenses	16,484	4,970	16,484	4,970
Total	846,661	572,235	846,946	572,885

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. The notional expenditure of £9.725m is reported above under the various staff cost headings. Further detail is provided in note 37.1.

Staff costs are split over a number of different headings from 2020/2021, with 2019/2020 costs of £27.721m reclassified. Operational staff costs are those staff employed by the Trust and deemed operational within it. Non-operational trainee staff costs are those trainees employed by NWSSP under the All Wales Single Lead Employer Scheme (SLE) on behalf of other NHS Wales organisations, and who are operational within those organisations rather than the Trust. Where NWSSP employ staff under the SLE scheme on behalf of the Trust, these costs are reported as Single Lead Employer Staff Trainee costs. Staff employed under another NWSSP scheme, which commenced in 2020/2021, the All Wales Collaborative Bank, are also identified separately. Further analysis of these costs is shown in notes 10.1 and 10.7, with details of average numbers of employees shown in notes 10.2 and 10.8.

5. Operating expenses (continued)

5.2 Losses, special payments and irrecoverable debts:

Charges to operating expenses

Increase/(decrease) in provision for future payments:

	2020-21 £000	2019-20 £000	2020-21 £000	2019-20 £000
	NHS Trust		Consolidated	
Clinical negligence;-				
Secondary care	126,411	161,267	126,411	161,267
Primary care	122	0	122	0
Redress Secondary Care	1,754	3,350	1,754	3,350
Redress Primary Care	0	0	0	0
Personal injury	4,205	4,653	4,205	4,653
All other losses and special payments	5,761	0	5,761	0
Defence legal fees and other administrative costs	1,901	2,675	1,901	2,675
Structured Settlements Welsh Risk Pool	(11,978)	412	(11,978)	412
Gross increase/(decrease) in provision for future payments	128,176	172,357	128,176	172,357
Contribution to Welsh Risk Pool	0	0	0	0
Premium for other insurance arrangements	0	0	0	0
Irrecoverable debts	0	0	0	0
Less: income received/ due from Welsh Risk Pool	0	0	0	0
Total charge	128,176	172,357	128,176	172,357

The Clinical Negligence figure includes £1,478,645 (2019/2020 £1,431,502) in respect of payments made under Redress for 2020/2021. A further £1,012,000 relating to the final quarter is within the creditor balance pending reimbursement in 2020/2021.

Included within other losses is a write off of £5,714,816 in respect of over provisioning of beds / mattresses to support NHS Wales' field hospital response to the COVID 19 pandemic. The purchases were funded by Welsh Government and made by NWSSP on behalf of some NHS Wales Health Boards, in response to their anticipated requirements. Further information is provided in note 26.2.

	2020-21 £	2019-20 £
Permanent injury included within personal injury:	0	0

6. Investment revenue	2020-21	2019-20	2020-21	2019-20
Rental revenue :	£000	£000	£000	£000
	NHS Trust		Consolidated	
PFI finance lease revenue:				
Planned	0	0	0	0
Contingent	0	0	0	0
Other finance lease revenue	0	0	0	0
Interest revenue:				
Bank accounts	0	109	0	109
Other loans and receivables	0	0	0	0
Impaired financial assets	0	0	0	0
Other financial assets	0	0	133	150
Total	0	109	133	259

On 19th March 2020, the interest rate on the Trust's bank accounts was reduced to nil and therefore no revenue has been received during 2020/2021.

7. Other gains and losses	2020-21	2019-20	2020-21	2019-20
	£000	£000	£000	£000
	NHS Trust		Consolidated	
Gain/(loss) on disposal of property, plant and equipment	25	(2)	25	(2)
Gain/(loss) on disposal of intangible assets	0	0	0	0
Gain/(loss) on disposal of assets held for sale	0	4	0	4
Gain/(loss) on disposal of financial assets	0	0	0	0
Gains/(loss) on foreign exchange	0	0	0	0
Change in fair value of financial assets at fair value through income statement	0	0	0	0
Change in fair value of financial liabilities at fair value through income statement	0	0	0	0
Recycling of gain/(loss) from equity on disposal of financial assets held for sale	0	0	0	0
Total	25	2	25	2

8. Finance costs	2020-21	2019-20	2020-21	2019-20
	£000	£000	£000	£000
	NHS Trust		Consolidated	
Interest on loans and overdrafts	0	0	0	0
Interest on obligations under finance leases	0	2	0	2
Interest on obligations under PFI contracts:				
Main finance cost	0	0	0	0
Contingent finance cost	0	0	0	0
Interest on late payment of commercial debt	0	0	0	0
Other interest expense	0	0	0	0
Total interest expense	0	2	0	2
Provisions unwinding of discount	(183)	(279)	(183)	(279)
Periodical Payment Order unwinding of discount	548	98	548	98
Other finance costs	0	0	0	0
Total	365	(179)	365	(179)

9. Operating leases

9.1 Trust as lessee

Operating lease payments represent rentals payable by Velindre University NHS Trust for properties and equipment.

Payments recognised as an expense

	2020-21	2019-20	2020-21	2019-20
	£000	£000	£000	£000
	NHS Trust		Consolidated	
Minimum lease payments	2,863	2,905	2,863	2,905
Contingent rents	0	0	0	0
Sub-lease payments	0	0	0	0
Total	2,863	2,905	2,863	2,905

Total future minimum lease payments

	2020-21	2019-20	2020-21	2019-20
	£000	£000	£000	£000
	NHS Trust		Consolidated	
Payable:				
Not later than one year	2,733	2,752	2,733	2,752
Between one and five years	4,260	5,462	4,260	5,462
After 5 years	967	756	967	756
Total	7,960	8,970	7,960	8,970

Total future sublease payments expected to be received

0 0 0 0

9. Operating leases (continued)

9.2 Trust as lessor

NWSSP leases an area of the IP5 warehouse to DHSC for the lighthouse laboratory and a further area to a commercial entity.

Rental Revenue

Receipts recognised as income

	2020-21 £000	2019-20 £000	2020-21 £000	2019-20 £000
	NHS Trust		Consolidated	
Rent	111	0	111	0
Contingent rent	0	0	0	0
Other	0	0	0	0
Total rental revenue	111	0	111	0

Total future minimum lease payments

Receivable:

	2020-21 £000	2019-20 £000	2020-21 £000	2019-20 £000
	NHS Trust		Consolidated	
Not later than one year	55	0	55	0
Between one and five years	0	0	0	0
After 5 years	0	0	0	0
Total	55	0	55	0

10. Employee costs and numbers

10.1 Employee costs	Permanently employed staff	Staff on Inward Secondment	Agency Staff	Specialist Trainee (SLE)	Other Staff	2020-21 £000	2019-20 £000 Restated
Operational Staff	£000	£000	£000	£000	£000	£000	£000
Salaries and wages	127,707	1,860	4,124	198	4,821	138,710	125,953
Social security costs	14,188	61	0	23	160	14,432	10,933
Employer contributions to NHS Pensions Scheme	28,492	51	0	26	310	28,879	21,186
Other pension costs	44	0	0	0	0	44	29
Other post-employment benefits	0	0	0	0	(3)	(3)	0
Termination benefits	0	0	0	0	0	0	0
Total	170,431	1,972	4,124	247	5,288	182,062	158,101

Of the total above:

Charged to capital	2,639	2,983
Charged to revenue	179,423	155,118
Total	182,062	158,101

Net movement in accrued employee benefits (untaken staff leave accrual included above) 1,610 139

Covid 19 net movement in accrued employee benefits (untaken staff leave accrual included in above) 1,546 118

During 2020-2021, NWSSP expanded the All Wales Single Lead Employer Scheme. Previously NWSSP had employed GP trainees on behalf of NHS Wales and these were included within staff notes 10.1 and 10.2. Due to the significant increase in values, those trainees, and others now employed via the Scheme, are excluded from notes 10.1 and note 10.2, and only staff operational within the Trust are reported within these notes. This includes those trainees who work within the Velindre Cancer Centre (shown above and below as "specialist trainees"). All other staff employed via this scheme are reported within notes 10.7 and 10.8 which provide the total costs and average numbers of all staff employed. 2019-2020 costs (further described in note 5.1) and average numbers have been restated.

The increase in the net movement of untaken staff leave from 2019-2020 to 2020-2021 is primarily due to the impact of the COVID 19 pandemic, and this is further analysed above.

Other staff includes temporary workers paid directly by the Trust and staff sub-contracted or recharged from other NHS or public bodies. Since 1st April 2019, Welsh Government have paid additional employer's pension contributions to the NHS Business Services Agency. This is recognised in the "employer contributions to NHS pensions scheme" line above. Further information is provided in note 37.1.

10.2 Average number of employees

	Permanently Employed	Staff on Inward Secondment	Agency Staff	Specialist Trainee (SLE)	Other Staff	2020-21 Total	2019-20 Total Restated
	Number	Number	Number	Number	Number	Number	Number
Administrative, clerical and board members	2,558	20	29	0	36	2,643	2,557
Medical and dental	111	1	0	4	5	121	100
Nursing, midwifery registered	190	1	0	0	4	195	189
Professional, scientific and technical staff	65	0	0	0	0	65	56
Additional Clinical Services	301	1	5	0	9	316	201
Allied Health Professions	123	0	9	0	0	132	125
Healthcare scientists	136	0	1	0	5	142	138
Estates and Ancillary	355	0	42	0	59	456	356
Students	3	0	0	0	0	3	0
Total	3,842	23	86	4	118	4,073	3,722

The average number is calculated using the full time equivalent (FTE) of employees.

10.3. Retirements due to ill-health

	2020-21	2019-20
Number	6	4
Estimated additional pension costs £	228,710	278,470

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

The Trust operates four salary sacrifice schemes (childcare vouchers, cycle to work, home electronics and lease cars) for the financial benefit of its employees. It also provides an Easter and summer childcare subsidy scheme, a respite care subsidy scheme, and a purchase of annual leave scheme. In addition, staff have access to a non contributory Employee Assistance Programme which provides financial wellbeing support, and a financial wellbeing scheme to provide staff with access to simple financial education, salary deducted loans, and a range of savings and investment products.

10.5 Reporting of other compensation schemes - exit packages

	2020-21	2020-21	2020-21	2020-21	2019-20
				Number of departures where special payments have been made	Total number of exit packages
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	Whole numbers only	Whole numbers only
less than £10,000	2	0	2	0	2
£10,000 to £25,000	0	1	1	1	3
£25,000 to £50,000	0	2	2	0	2
£50,000 to £100,000	0	2	2	1	1
£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	2	5	7	2	8

	2020-21	2020-21	2020-21	2020-21	2019-20
				Cost of special element included in exit packages	Total cost of exit packages
Exit packages cost band (including any special payment element)	Cost of compulsory redundancies £	Cost of other departures £	Total cost of exit packages £	£	£
less than £10,000	16,302	0	16,302	0	16,674
£10,000 to £25,000	0	18,117	18,117	18,117	59,622
£25,000 to £50,000	0	71,669	71,669	0	81,873
£50,000 to £100,000	0	146,668	146,668	95,000	51,668
£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	16,302	236,454	252,756	113,117	209,837

Exit costs paid in year of departure	Total paid in year 2020-21 £	Total paid in year 2019-20 £
Exit costs paid in year	34,419	102,501
Total	34,419	102,501

Redundancy, voluntary early release, and other departure costs have been paid in accordance with the provisions of the relevant schemes / legislation. Where the Trust has agreed early retirements or compulsory redundancies, the additional costs are met by the Trust 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 (see notes 10.3 and 10.9 for details of ill health retirement costs).

The disclosure reports the number and value of exit packages agreed in the year in line with the Welsh Government manual for accounts.

Where special payments have been made, the highest value was £95,000 and the lowest value was £18,117. The median value of the payments made was £56,559.

10.6 Remuneration Relationship

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director / employee in their organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the highest-paid director in Velindre University NHS Trust in the financial year 2020-2021 was £140,000 to £145,000 (2019-2020, £140,000 to £145,000). This was 4.7 times (2019-2020, 4.9 times) the median remuneration of the workforce, which was £30,516 (2019-2020, £29,009).

In 2020-2021, 13 (2019-2020, 9) employees received remuneration in excess of the highest-paid director.

Remuneration for all staff ranged from £18,000 to £234,100 (2019-2020, £17,700 to £207,000).

Total remuneration includes salary and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

Overtime payments are included for the calculation of both elements of the relationship.

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.

10.7 Operational and Non Operational Employee costs

	Operational Staff Total	Non operational staff SLE Trainee Staff	Collaborative Bank Staff	Total 2020-21	2019-20
	£000	£000	£000	£000	£000
Salaries and wages	138,710	49,740	150	188,600	146,831
Social security costs	14,432	5,662	9	20,103	13,321
Employer contributions to NHS Pension Scheme	28,879	6,938	18	35,835	25,361
Other pension costs	44	0	0	44	29
Other employment benefits	(3)	0	0	(3)	0
Termination benefits	0	0	0	0	0
Total	182,062	62,340	177	244,579	185,542
Charged to capital	2,639	0	0	2,639	2,983
Charged to revenue	179,423	62,340	177	241,940	182,559
	182,062	62,340	177	244,579	185,542
Net movement in accrued employee benefits (untaken staff leave accrual included above)	1,610	0	0	1,610	139
Covid 19 net movement in accrued employee benefits (untaken staff leave accrual included in above)	1,546	0	0	1,546	118

NWSSP established the All Wales Collaborative Bank Partnership in 2020/2021. Staff employed under this scheme are not operational within the Trust and therefore their costs are also excluded from notes 10.1 and 10.2, and reported within notes 10.7 and 10.8.

10.8 Average number of operational and non operational employees

	Operational Staff Total Number	Non operational staff SLE Trainee Staff	Collaborative Bank Staff	Total 2020-21	2019-20
	Number	Number	Number	Number	Restated Number
Administrative, clerical and board members	2,643	0	0	2,643	2,557
Medical and dental	121	940	0	1,061	519
Nursing, midwifery registered	195	0	3	198	189
Professional, Scientific, and technical staff	65	0	0	65	56
Additional Clinical Services	316	65	0	381	201
Allied Health Professions	132	0	0	132	125
Healthcare Scientists	142	0	0	142	138
Estates and Ancillary	456	0	0	456	356
Students	3	0	0	3	0
Total	4,073	1,005	3	5,081	4,141

10.9. Retirements due to ill-health

There are no retirements due to ill-health for the Single Lead Employer Trainees therefore the figures reported in note 10.3 remain unchanged.

10.10 Employee benefits

The Single Lead Employer Trainees are entitled to the same employee benefits as the Trust's operational staff.

10.11 Reporting of other compensation schemes - exit packages

There have been no exit package payments for the Single Lead Employer Trainee staff, therefore the figures reported in note 10.5 remain unchanged.

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 2021, is based on valuation data as 31 March 2020, updated to 31 March 2021 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 was also expected to test the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. In January 2019, the Government announced 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.

The Government subsequently announced in July 2020 that the pause had been lifted, and so the cost control element of the 2016 valuations could be completed. The Government has set out that the costs of remedy of the discrimination will be included in this process. HMT valuation directions will set out the technical detail of how the costs of remedy will be included in the valuation process. The Government has also confirmed that the Government

Actuary is reviewing the cost control mechanism (as was originally announced in 2018). The review will assess whether the cost control mechanism is working in line with original government objectives and reported to Government in April 2021. The findings of this review will not impact the 2016 valuations, with the aim for any changes to the cost cap mechanism to be made in time for the completion of the 2020 actuarial valuations.

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 2020-2021 tax year (2019-2020 £6,136 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.

	2020-21	2020-21	2019-20	2019-20
	Number	£000	Number	£000
NHS				
Total bills paid in year	2,677	54,304	2,425	42,009
Total bills paid within target	2,209	42,844	2,165	35,768
Percentage of bills paid within target	82.5%	78.9%	89.3%	85.1%
Non-NHS				
Total bills paid in year	76,838	619,674	74,370	243,194
Total bills paid within target	74,285	580,699	72,416	220,230
Percentage of bills paid within target	96.7%	93.7%	97.4%	90.6%
Total				
Total bills paid in year	79,515	673,978	76,795	285,203
Total bills paid within target	76,494	623,543	74,581	255,998
Percentage of bills paid within target	96.2%	92.5%	97.1%	89.8%

12.2 The Late Payment of Commercial Debts (Interest) Act 1998	2020-21	2019-20
	£	£
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 :

2020-21

	Land	Buildings, excluding dwellings	Dwellings	Assets under construction and payments on account	Plant & machinery	Transport Equipment	Information Technology	Furniture and fittings	Total	FHoT	Consolidated Total
Cost or valuation	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
At 1 April 2020	17,928	67,428	263	24,983	32,316	5,809	33,528	1,451	183,706	0	183,706
Indexation	(353)	1,973	7	0	0	0	0	0	1,627	0	1,627
Additions - purchased	0	2,405	0	3,336	2,724	944	7,846	439	17,694	0	17,694
Additions - donated	0	50	0	0	29	0	0	0	79	0	79
Additions - government granted	0	0	0	0	0	0	0	0	0	0	0
Transfers from/(into) other NHS bodies	(131)	0	0	0	(273)	0	0	0	(404)	0	(404)
Reclassifications	0	1,110	0	(5,004)	2,189	0	1,705	0	0	0	0
Revaluation	149	0	0	0	0	0	0	0	149	0	149
Reversal of impairments	0	0	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0	0	0	0	0
Disposals other than by sale	(130)	(90)	0	0	(242)	(344)	(1,007)	(26)	(1,839)	0	(1,839)
At 31 March 2021	17,463	72,876	270	23,315	36,743	6,409	42,072	1,864	201,012	0	201,012
Depreciation											
At 1 April 2020	0	8,750	26	0	21,334	3,055	20,216	771	54,152	0	54,152
Indexation	0	232	1	0	0	0	0	0	233	0	233
Transfers from/(into) other NHS bodies	0	0	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0	0	0	0	0
Disposals other than by sale	0	(90)	0	0	(242)	(344)	(969)	(26)	(1,671)	0	(1,671)
Charged during the year	0	2,787	9	0	2,878	586	5,331	149	11,740	0	11,740
At 31 March 2021	0	11,679	36	0	23,970	3,297	24,578	894	64,454	0	64,454
Net book value											
At 1 April 2020	17,928	58,678	237	24,983	10,982	2,754	13,312	680	129,554	0	129,554
Net book value											
At 31 March 2021	17,463	61,197	234	23,315	12,773	3,112	17,494	970	136,558	0	136,558
Net book value at 31 March 2021 comprises :											
Purchased	17,463	56,717	234	23,315	12,702	3,112	17,485	970	131,998	0	131,998
Donated	0	4,480	0	0	71	0	9	0	4,560	0	4,560
Government Granted	0	0	0	0	0	0	0	0	0	0	0
At 31 March 2021	17,463	61,197	234	23,315	12,773	3,112	17,494	970	136,558	0	136,558
Asset Financing:											
Owned	17,463	61,197	234	23,315	12,773	3,112	17,486	970	136,550	0	136,550
Held on finance lease	0	0	0	0	0	0	8	0	8	0	8
On-SoFP PFI contract	0	0	0	0	0	0	0	0	0	0	0
PFI residual interest	0	0	0	0	0	0	0	0	0	0	0
At 31 March 2021	17,463	61,197	234	23,315	12,773	3,112	17,494	970	136,558	0	136,558
The net book value of land, buildings and dwellings at 31 March 2021 comprises :											
									£000	£000	£000
Freehold									61,657	0	61,657
Long Leasehold									4,950	0	4,950
Short Leasehold									12,288	0	12,288
Total									78,895	0	78,895

The NHS Trust 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 Royal Institution of Chartered Surveyors' Valuation Standards, 6th Edition. Trusts 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.

Ventilators with a net book value of £0.273m were transferred to NHS Wales organisations during 2020/2021 which was recorded through the S1 process.

13. Property, plant and equipment :

2019-20

	Land	Buildings, excluding dwellings	Dwellings	Assets under construction and payments on account	Plant & machinery	Transport Equipment	Information Technology	Furniture and fittings	Total	FHoT	Consolidated Total
Cost or valuation	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
At 1 April 2019	18,106	65,544	258	21,601	32,131	5,817	26,258	1,277	170,992	0	170,992
Indexation	(178)	1,285	5	0	0	0	0	0	1,112	0	1,112
Additions - purchased	0	569	0	5,888	1,189	637	5,105	271	13,659	0	13,659
Additions - donated	0	0	0	0	18	0	0	0	18	0	18
Additions - government granted	0	0	0	0	0	0	0	0	0	0	0
Transfers from/(into) other NHS bodies	0	0	0	0	0	0	0	0	0	0	0
Reclassifications	0	38	0	(2,506)	0	0	2,468	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0	0	0	0	0
Disposals other than by sale	0	(8)	0	0	(1,022)	(645)	(303)	(97)	(2,075)	0	(2,075)
At 31 March 2020	17,928	67,428	263	24,983	32,316	5,809	33,528	1,451	183,706	0	183,706
Depreciation											
At 1 April 2019	0	6,003	17	0	19,752	3,061	14,884	721	44,438	0	44,438
Indexation	0	105	0	0	0	0	0	0	105	0	105
Transfers from/(into) other NHS bodies	0	0	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0	0	0	0	0
Disposals other than by sale	0	(8)	0	0	(1,023)	(637)	(303)	(97)	(2,068)	0	(2,068)
Charged during the year	0	2,650	9	0	2,605	631	5,635	147	11,677	0	11,677
At 31 March 2020	0	8,750	26	0	21,334	3,055	20,216	771	54,152	0	54,152
Net book value											
At 1 April 2019	18,106	59,541	241	21,601	12,379	2,756	11,374	556	126,554	0	126,554
Net book value											
At 31 March 2020	17,928	58,678	237	24,983	10,982	2,754	13,312	680	129,554	0	129,554
Net book value at 31 March 2020 comprises :											
Purchased	17,928	54,214	237	24,983	10,909	2,754	13,299	680	125,004	0	125,004
Donated	0	4,464	0	0	73	0	13	0	4,550	0	4,550
Government Granted	0	0	0	0	0	0	0	0	0	0	0
At 31 March 2020	17,928	58,678	237	24,983	10,982	2,754	13,312	680	129,554	0	129,554
Asset Financing:											
Owned	17,928	58,542	237	24,983	10,982	2,754	13,285	680	129,391	0	129,391
Held on finance lease	0	136	0	0	0	0	27	0	163	0	163
On-SoFP PFI contract	0	0	0	0	0	0	0	0	0	0	0
PFI residual interest	0	0	0	0	0	0	0	0	0	0	0
At 31 March 2020	17,928	58,678	237	24,983	10,982	2,754	13,312	680	129,554	0	129,554

The net book value of land, buildings and dwellings at 31 March 2020 comprises :

	£000	£000	£000
Freehold	60,301	0	60,301
Long Leasehold	11,501	0	11,501
Short Leasehold	5,040	0	5,040
Total	76,842	0	76,842

The NHS Trust 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 Royal Institution of Chartered Surveyors' Valuation Standards, 6th Edition. Trusts 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**

Velindre University NHS Trust received the following donated assets during the year:

Medical Equipment (P&M)	£29,206
Bobarth (Buildings)	£50,000
Total	£79,206

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 Royal Institute of Chartered Surveyors' Valuation Standards, 6th edition.

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

The Trust did not receive any compensations in the financial year.

v) Write Downs

The Trust did not have any impairments in the financial 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

The Trust sold 9 vehicles during the financial year. The total net profit of assets sold was £30k. The breakdown of these asset sales is shown below. The Trust also sold a portion of land in Denbigh in the financial year. The total net loss on the sale of the land was £5k. The net amount of these sales is shown in note 7, 'other gains / losses'.

The Trust transferred land from & to Cardiff and Vale University Health Board with a net effect of £131k to the Trust: transfer out £7,005k, transfer in £6,874k.

viii) Consultancy Services

The Trust capitalised a total of £2,717k consultancy fees in the year. These figures are included within the additions (category dependent) in notes 13 and 14.

Gain/(Loss) on Sale

Asset description	Reason for sale	Gain/(Loss) on sale £000
WBS Vehicles x 9	Assets fully depreciated	30
NWSSP Land at Denbigh	Non utilised land	(5)
		<hr/>
		25

13.2 Non-current assets held for sale

	Land	Buildings, including dwellings	Other property plant and equipment	Intangible assets	Other assets	Total	FHoT assets	ConsolidatedTotal
	£000	£000	£000	£000	£000	£000	£000	£000
Balance b/f 1 April 2020	0	0	0	0	0	0	0	0
Plus assets classified as held for sale in year	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0
Less assets sold in year	0	0	0	0	0	0	0	0
Plus reversal of impairments	0	0	0	0	0	0	0	0
Less impairment for assets held for sale	0	0	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	0	0
Balance c/f 31 March 2021	0	0	0	0	0	0	0	0
Balance b/f 1 April 2019	0	0	0	0	0	0	0	0
Plus assets classified as held for sale in year	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0
Less assets sold in year	0	0	0	0	0	0	0	0
Plus reversal of impairments	0	0	0	0	0	0	0	0
Less impairment for assets held for sale	0	0	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	0	0
Balance c/f 31 March 2020	0	0	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	CRC Emission Trading Scheme	Total	FHoT	Consolidated Total
Cost or valuation	£000	£000	£000	£000	£000	£000	£000	£000	£000
At 1 April 2020	47,919	7,412	4,905	0	0	0	60,236	0	60,236
Revaluation		0			0	0	0	0	0
Reclassifications	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
Additions									
- purchased	7,097	1,172	0	0	0	0	8,269	0	8,269
- internally generated	0	0	0	0	0	0	0	0	0
- donated	0	0	0	0	0	0	0	0	0
- government granted	0	0	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Transfers from/(into) other NHS bodies	531	191	0	0	0	0	722	0	722
Disposals other than by sale	(13,425)	(2,065)	(247)	0	0	0	(15,737)	0	(15,737)
At 31 March 2021	42,122	6,710	4,658	0	0	0	53,490	0	53,490
Amortisation									
At 1 April 2020	35,843	2,955	3,794	0	0	0	42,592	0	42,592
Revaluation		0			0	0	0	0	0
Reclassifications	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
Charged during the year	4,375	870	570	0	0	0	5,815	0	5,815
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Transfers from/(into) other NHS bodies	0	0	0	0	0	0	0	0	0
Disposals other than by sale	(13,425)	(2,066)	(247)	0	0	0	(15,738)	0	(15,738)
Accumulated amortisation at 31 March 2021	26,793	1,759	4,117	0	0	0	32,669	0	32,669
Net book value At 1 April 2020	12,076	4,457	1,111	0	0	0	17,644	0	17,644
Net book value At 31 March 2021	15,329	4,951	541	0	0	0	20,821	0	20,821
Net book value									
Purchased	15,323	4,951	541	0	0	0	20,815	0	20,815
Donated	6	0	0	0	0	0	6	0	6
Government granted	0	0	0	0	0	0	0	0	0
Internally Generated	0	0	0	0	0	0	0	0	0
At 31 March 2021	15,329	4,951	541	0	0	0	20,821	0	20,821

14. Intangible assets

	Computer software purchased	Computer software internally developed	Licenses and trade- marks	Patents	Development expenditure internally generated	CRC Emission Trading Scheme	Total	FHoT	Consolidated Total
Cost or valuation	£000	£000	£000	£000	£000	£000	£000	£000	£000
At 1 April 2019	45,523	5,962	4,862	0	0	0	56,347	0	56,347
Revaluation		0			0	0	0	0	0
Reclassifications	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
Additions									
- purchased	6,143	1,925	43	0	0	0	8,111	0	8,111
- internally generated	0	0	0	0	0	0	0	0	0
- donated	0	0	0	0	0	0	0	0	0
- government granted	0	0	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Transfers from/(into) other NHS bodies	0	0	0	0	0	0	0	0	0
Disposals other than by sale	(3,747)	(475)	0	0	0	0	(4,222)	0	(4,222)
At 31 March 2020	47,919	7,412	4,905	0	0	0	60,236	0	60,236
Amortisation									
At 1 April 2019	35,669	2,812	2,823	0	0	0	41,304	0	41,304
Revaluation		0			0	0	0	0	0
Reclassifications	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
Charged during the year	3,920	618	971	0	0	0	5,509	0	5,509
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Transfers from/(into) other NHS bodies	0	0	0	0	0	0	0	0	0
Disposals other than by sale	(3,746)	(475)	0	0	0	0	(4,221)	0	(4,221)
Accumulated amortisation at 31 March 2020	35,843	2,955	3,794	0	0	0	42,592	0	42,592
Net book value At 1 April 2019	9,854	3,150	2,039	0	0	0	15,043	0	15,043
Net book value At 31 March 2020	12,076	4,457	1,111	0	0	0	17,644	0	17,644
Net book value									
Purchased	13,214	3,309	1,111	0	0	0	17,634	0	17,634
Donated	10	0	0	0	0	0	10	0	10
Government granted	0	0	0	0	0	0	0	0	0
Internally Generated	0	0	0	0	0	0	0	0	0
At 31 March 2020	13,224	3,309	1,111	0	0	0	17,644	0	17,644

14. Intangible assets

Intangible assets comprise of licences for use of purchased IT software such as financial systems, internally generated IT software and various licences and trade marks.

An assessment is performed on an annual basis to determine that the assets are still available for use and that there is a continued market for their use. The fair values are based on the original cost and amortised based upon finite lives detailed below, and are as detailed in the note to the accounts.

The useful lives and amortisation rates used is 5 years and no intangible assets are assessed as having indefinite useful lives.

No intangible assets have been acquired by Government Grant.

i) Donated Intangible Assets

There were no intangible assets donated this year.

15. Impairments

	2020-21		2019-20	
Impairments in the period arose from:	Property, plant & equipment £000	Intangible assets £000	Property, plant & equipment £000	Intangible assets £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	0	0
Changes in market price	0	0	0	0
Other	0	0	0	0
Reversal of impairment	0	0	0	0
Impairments charged to operating expenses	0	0	0	0
FHoT Impairments charged to operating expenses	0	0	0	0
Consolidated impairment charged to operating expenses	0	0	0	0

Analysis of impairments :

Operating expenses in Statement of Comprehensive Income	0	0	0	0
Revaluation reserve	0	0	0	0
Total	0	0	0	0
FHoT Operating expenses in SoCNI	0	0	0	0
FHoT reserves	0	0	0	0
NHS Consolidated Total	0	0	0	0

There have been no impairments during the year ended 31st March 2021.

16. Inventories

16.1 Inventories

	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
	NHS Trust		Consolidated	
Drugs	1,730	1,523	1,730	1,523
Consumables	89,692	9,034	89,692	9,034
Energy	0	0	0	0
Work in progress	0	0	0	0
Other	4,142	2,577	4,142	2,577
Total	95,564	13,134	95,564	13,134
Of which held at net realisable value:	0	0	0	0

DH Assets covered under Memorandum of Understanding

Capital	Revenue
£000	£000

DH donated assets within Other in 2020-21

0

DH donated assets

As received from Department of Health and Social Care (DH)

5,294

Issued to NHS bodies

(4,733)

Returned to DH

0

Replacement from DH

0

As at 31 March 2021**561****544**

16.2 Inventories recognised in expenses

	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
	NHS Trust		Consolidated	
Inventories recognised as an expense in the period	181,745	54,225	181,745	54,225
Write-down of inventories (including losses)	5,823	29	5,823	29
Reversal of write-downs that reduced the expense	0	0	0	0
Total	187,568	54,254	187,568	54,254

Of the increase in stock at 31st March 2021, approximately £80m is due to COVID and the Welsh Government request for NWSSP to hold 24 weeks stock of PPE to meet NHS Wales' demand. The remaining increase of approximately £1.7m of equipment stock is held on behalf of NHS Wales at 31st March 2021, and is again due to the pandemic.

An increase in inventories recognised as an expense in the period is reported due to the significantly increased quantities of PPE that have been issued from NWSSP stores during the pandemic.

Included in the write-down of inventories is a loss of £5.715m in respect of the over-provisioning of beds for field hospitals by NHS Wales which has been approved by the Director General of Health & Social Services / Chief Executive NHS Wales.

In addition to the DH donations included in MOU 1, DH were also due to donate CT scanner equipment with a value of £1.458m under MOU 2. This however was not completed before 31st March 2021. The CT equipment is being utilised in Betsi Cadwaladr and Hywel Dda UHBs so when actioned will be transferred to these bodies.

17. Trade and other receivables

17.1 Trade and other receivables

	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
Current	NHS Trust		Consolidated	
Welsh Government	478,271	376,844	478,271	376,844
WHSSC & EASC	7	167	7	167
Welsh Health Boards	14,235	16,765	14,235	16,765
Welsh NHS Trusts	1,241	708	1,241	708
Health Education and Improvement Wales (HEIW)	938	259	938	259
Non - Welsh Trusts	0	56	0	56
Other NHS	145	28	145	28
2019-20 Scheme Pays - Welsh Government Reimbursement	0	0	0	0
Welsh Risk Pool Claim reimbursement:-	0	0	0	0
NHS Wales Secondary Health Sector	382	99	382	99
NHS Wales Primary Sector FLS Reimbursement	0	0	0	0
NHS Wales Redress	0	0	0	0
Other	0	0	0	0
Local Authorities	431	151	431	151
Capital debtors- Tangible	187	84	187	84
Capital debtors- Intangible	0	0	0	0
Other debtors	20,085	4,771	19,746	4,814
FHoT debtor			32	50
Provision for impairment of trade receivables	(2,411)	(1,809)	(2,411)	(1,809)
Pension Prepayments				
NHS Pensions Agency	0	0	0	0
NEST	0	0	0	0
Other prepayments	30,308	12,390	30,308	12,390
Accrued income	5,017	3,747	5,017	3,747
Sub-total	548,836	414,260	548,529	414,353
Non-current				
Welsh Government	816,440	861,947	816,440	861,947
WHSSC & EASC	0	0	0	0
Welsh Health Boards	0	0	0	0
Welsh NHS Trusts	0	0	0	0
Health Education and Improvement Wales (HEIW)	0	0	0	0
Non - Welsh Trusts	0	0	0	0
Other NHS	22	0	22	0
2019-20 Scheme Pays - Welsh Government Reimbursement	0	0	0	0
Welsh Risk Pool Claim reimbursement	0	0	0	0
NHS Wales Secondary Health Sector	0	0	0	0
NHS Wales Primary Sector FLS Reimbursement	0	0	0	0
NHS Wales Redress	0	0	0	0
Other	0	0	0	0
Local Authorities	0	0	0	0
Capital debtors- Tangible	0	0	0	0
Capital debtors- Intangible	0	0	0	0
Other debtors	0	0	0	0
FHoT debtor			0	0
Provision for impairment of trade receivables	0	0	0	0
Pension Prepayments				
NHS Pensions Agency	0	0	0	0
NEST	0	0	0	0
Other prepayments	680	1,015	680	1,015
Accrued income	0	0	0	0
Sub-total	817,142	862,962	817,142	862,962
Total trade and other receivables	1,365,978	1,277,222	1,365,671	1,277,315

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 £8,756,000 (£7,845,000 in 2019/2020).

17.2 Receivables past their due date but not impaired

	31 March	31 March	31 March	31 March
	2021	2020	2021	2020
	£000	£000	£000	£000
	NHS Trust		Consolidated	
By up to 3 months	6,907	7,242	6,907	7,242
By 3 to 6 months	1,213	486	1,213	486
By more than 6 months	636	117	636	117
Balance at end of financial year	8,756	7,845	8,756	7,845

The impact of the pandemic on normal activity and capacity issues within the Trust have led to increases in the 3-6 month and more than 6 month categories of receivables. These are primarily due to later than usual payment of invoices relating to the NWSSP Pharmacy Rebate scheme; delayed payment of a large invoice for PPE supplied by NWSSP; and an increase in aged debts relating to Private Patient services.

17.3 Expected Credit Losses (ECL) Allowance for bad and doubtful debts

	31 March	31 March	31 March	31 March
	2021	2020	2021	2020
	£000	£000	£000	£000
	NHS Trust		Consolidated	
Balance at 1 April	(1,809)	(1,931)	(1,809)	(1,931)
Transfer to other NHS Wales body	0	0	0	0
Provision utilised (Amount written off during the year)	8	143	8	143
Provision written back during the year no longer required	0	0	0	0
(Increase)/Decrease in provision during year	(610)	(25)	(610)	(25)
ECL/Bad debts recovered during year	0	4	0	4
Balance at end of financial year	(2,411)	(1,809)	(2,411)	(1,809)

The increase in provision relates to a very small number of unpaid debts for supplies made by NWSSP for PPE to government bodies in England and Northern Ireland.

17.4 Receivables VAT

	31 March	31 March	31 March	31 March
	2021	2020	2021	2020
	£000	£000	£000	£000
	NHS Trust		Consolidated	
Trade receivables	94	250	94	250
Other	0	0	0	0
Total	94	250	94	250

18. Other financial assets

	31 March 2021 £000 NHS Trust	31 March 2020 £000	31 March 2021 £000 Consolidated	31 March 2020 £000
Current				
Shares and equity type investments				
Held to maturity investments at amortised costs	0	0	0	0
At fair value through SOCI	0	0	0	0
Available for sale at FV	0	0	0	0
Deposits	0	0	0	0
Loans	0	0	0	0
Derivatives	0	0	0	0
Other (Specify)				
Held to maturity investments at amortised costs	0	0	0	0
At fair value through SOCI	0	0	0	0
Available for sale at FV	0	0	0	0
Total	0	0	0	0
Non-Current				
Shares and equity type investments				
Held to maturity investments at amortised costs	0	0	0	0
At fair value through SOCI	0	0	0	0
Available for sale at FV	0	0	0	0
Deposits	0	0	0	0
Loans	0	0	0	0
Derivatives	0	0	0	0
Other (Specify)				
Held to maturity investments at amortised costs	0	0	0	0
At fair value through SOCI	0	0	5,613	4,606
Available for sale at FV	0	0	0	0
Total	0	0	5,613	4,606

19. Cash and cash equivalents

	31 March	31 March	31 March	31 March
	2021	2020	2021	2020
	£000	£000	£000	£000
	NHS Trust		Consolidated	
Opening Balance	18,263	20,949	19,735	22,384
Net change in year	25,000	(2,686)	25,076	(2,649)
Closing Balance	43,263	18,263	44,811	19,735
Made up of:				
Cash with Government Banking Service (GBS)	43,244	18,225	43,244	18,225
Cash with Commercial banks	0	0	1,548	1,472
Cash in hand	19	38	19	38
Total cash	43,263	18,263	44,811	19,735
Current investments	0	0	0	0
Cash and cash equivalents as in SoFP	43,263	18,263	44,811	19,735
Bank overdraft - GBS	0	0	0	0
Bank overdraft - Commercial banks	0	0	0	0
Cash & cash equivalents as in Statement of Cash Flows	43,263	18,263	44,811	19,735

A higher cash balance was in hand at 31 March 2021 than is usual. This was primarily due to the need to pay a number of large invoices in early April, and the temporary closure of the National Loans Fund to deposits.

In response to the IAS 7 requirement for additional disclosure, the changes in liabilities arising for financing activities are:

Lease Liabilities £nil

PFI liabilities £nil

The movement relates to cash, no comparative information is required by IAS 7 in 2020-21.

20. Trade and other payables at the SoFP Date	31 March		31 March	
	2021		2020	
	£000		£000	
Current	NHS Trust		Consolidated	
Welsh Government	120,136	7,103	120,136	7,103
WHSSC & EASC	2,011	24	2,011	24
Welsh Health Boards	148,416	113,389	148,416	113,389
Welsh NHS Trusts	2,334	1,899	2,334	1,899
Health Education and Improvement Wales (HEIW)	16	13	16	13
Other NHS	2,285	415	2,285	415
Taxation and social security payable / refunds:				
Refunds of taxation by HMRC	0	0	0	0
VAT payable to HMRC	2,064	0	2,064	0
Other taxes payable to HMRC	151	7	151	7
National Insurance contributions payable to HMRC	121	6	121	6
Non-NHS trade payables - revenue	26,143	9,194	26,143	9,194
Local Authorities	360	192	360	192
Capital payables-Tangible	4,434	6,375	4,434	6,375
Capital payables- Intangible	1,785	1,299	1,785	1,299
Overdraft	0	0	0	0
FHoT payables			107	180
Rentals due under operating leases	0	0	0	0
Obligations due under finance leases and HP contracts	0	0	0	0
Imputed finance lease element of on SoFP PFI contracts	0	0	0	0
Pensions: staff	3,540	2,483	3,540	2,483
Non NHS Accruals	38,130	21,886	38,130	21,886
Deferred Income:				
Deferred income brought forward	1,985	2,543	1,985	2,543
Deferred income additions	559	1,280	559	1,280
Transfer to/from current/non current deferred income	(301)	0	(301)	0
Released to the Income Statement	(1,033)	(1,838)	(1,033)	(1,838)
Other liabilities - all other payables	0	0	0	0
PFI assets – deferred credits	0	0	0	0
PFI - Payments on account	0	0	0	0
Sub-total	353,136	166,270	353,243	166,450

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 2021 £000 NHS Trust	31 March 2020 £000	31 March 2021 £000 Consolidated	31 March 2020 £000
Non-current				
Welsh Government	7,000	0	7,000	0
WHSSC & EASC	0	0	0	0
Welsh Health Boards	0	0	0	0
Welsh NHS Trusts	0	0	0	0
Health Education and Improvement Wales (HEIW)	0	0	0	0
Other NHS	0	0	0	0
Taxation and social security payable / refunds:				
Refunds of taxation by HMRC	0	0	0	0
VAT payable to HMRC	0	0	0	0
Other taxes payable to HMRC	0	0	0	0
National Insurance contributions payable to HMRC	0	0	0	0
Non-NHS trade payables - revenue	0	0	0	0
Local Authorities	0	0	0	0
Capital payables- Tangible	0	0	0	0
Capital payables- Intangible	0	0	0	0
Overdraft	0	0	0	0
FHoT payables			0	0
Rentals due under operating leases	0	0	0	0
Obligations due under finance leases and HP contracts	0	0	0	0
Imputed finance lease element of on SoFP PFI contracts	0	0	0	0
Pensions: staff	0	0	0	0
Non NHS Accruals	0	0	0	0
Deferred Income:				
Deferred income brought forward	0	0	0	0
Deferred income additions	301	0	301	0
Transfer to/from current/non current deferred income	0	0	0	0
Released to the Income Statement	0	0	0	0
Other liabilities - all other payables	0	0	0	0
PFI assets –deferred credits	0	0	0	0
Payments on account	0	0	0	0
Sub-total	7,301	0	7,301	0
Total	360,437	166,270	360,544	166,450

21. Borrowings

Current	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
	NHS Trust		Consolidated	
Bank overdraft - Government Banking Service (GBS)	0	0	0	0
Bank overdraft - Commercial bank	0	0	0	0
Loans from:				
Welsh Government	0	0	0	0
Other entities	0	0	0	0
PFI liabilities:				
Main liability	0	0	0	0
Lifecycle replacement received in advance	0	0	0	0
Finance lease liabilities	8	21	8	21
Other	0	0	0	0
Total	8	21	8	21

Non-current

Bank overdraft - GBS	0	0	0	0
Bank overdraft - Commercial bank	0	0	0	0
Loans from:				
Welsh Government	0	0	0	0
Other entities	0	0	0	0
PFI liabilities:				
Main liability	0	0	0	0
Lifecycle replacement received in advance	0	0	0	0
Finance lease liabilities	0	8	0	8
Other	0	0	0	0
Total	0	8	0	8

21.2 Loan advance/strategic assistance funding

Amounts falling due:	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
In one year or less	0	0	0	0
Between one and two years	0	0	0	0
Between two and five years	0	0	0	0
In five years or more	0	0	0	0
Sub-total	0	0	0	0
Wholly repayable within five years	0	0	0	0
Wholly repayable after five years, not by instalments	0	0	0	0
Wholly or partially repayable after five years by instalments	0	0	0	0
Sub-total	0	0	0	0
Total repayable after five years by instalments	0	0	0	0

The Trust has not received a loan advance or strategic funding from the Welsh Government.

22. Other financial liabilities

	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
	NHS Trust		Consolidated	
Current				
Financial Guarantees				
At amortised cost	0	0	0	0
At fair value through SoCI	0	0	0	0
Derivatives at fair value through SoCI	0	0	0	0
Other				
At amortised cost	0	0	0	0
At fair value through SoCI	0	0	0	0
Total	0	0	0	0

	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
	NHS Trust		Consolidated	
Non-current				
Financial Guarantees				
At amortised cost	0	0	0	0
At fair value through SoCI	0	0	0	0
Derivatives at fair value through SoCI	0	0	0	0
Other				
At amortised cost	0	0	0	0
At fair value through SoCI	0	0	0	0
Total	0	0	0	0

23. Provisions 2020-21

Current	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
Clinical negligence:-										
Secondary Care	244,404	(53,022)	(17,397)	123,233	0	126,936	(80,728)	(56,815)	(183)	286,428
Primary Care	0	0	0	0	0	122	0	0	0	122
Redress Secondary Care	3,335	0	(664)	34	0	3,451	(1,611)	(1,702)	0	2,843
Redress Primary Care	0	0	0	0	0	0	0	0	0	0
Personal injury	4,803	0	(134)	(1,060)	0	5,681	(1,504)	(1,358)	0	6,428
All other losses and special payments	1	0	0	0	0	5,761	(5,762)	0	0	0
Defence legal fees and other administration	4,614	0	0	1,080	0	2,854	(1,584)	(1,374)	0	5,590
Structured Settlements - WRPS	14,555	988	0	0	0	15,785	(14,873)	(1,892)	548	15,111
Pensions relating to: former directors	0		0	0	0	0	0	0	0	0
Pensions relating to: other staff	19		(6)	24	0	0	(19)	0	0	18
2019-20 Scheme Pays - Reimbursement	0		0	0	0	0	0	0	0	0
Restructurings	0		0	0	0	0	0	0		0
Other	645		0	0	0	745	0	(971)		419
Total	272,376	(52,034)	(18,201)	123,311	0	161,335	(106,081)	(64,112)	365	316,959
FHoT	0	0	0	0	0	0	0	0	0	0
Consolidated Total	272,376	(52,034)	(18,201)	123,311	0	161,335	(106,081)	(64,112)	365	316,959

Non Current

Clinical negligence:-										
Secondary Care	431,038	0	0	(123,354)	0	61,390	(4,786)	(5,100)	0	359,188
Primary Care	0	0	0	0	0	0	0	0	0	0
Redress Secondary Care	40	0	0	(39)	0	5	0	0	0	6
Redress Primary Care	0	0	0	0	0	0	0	0	0	0
Personal injury	341	0	0	1,069	0	91	0	(209)	0	1,292
All other losses and special payments	0	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	4,019	0	0	(963)	0	943	(188)	(522)	0	3,289
Structured Settlements - WRPS	426,508	52,034	0	0	0	3,866	0	(29,736)	0	452,672
Pensions relating to: former directors	0		0	0	0	0	0	0	0	0
Pensions relating to: other staff	90		0	(24)	0	5	0	0	0	71
2019-20 Scheme Pays - Reimbursement	0		0	0	0	0	0	0	0	0
Restructurings	0		0	0	0	0	0	0		0
Other	1,223		0	0	0	1,110	0	(69)		2,264
Total	863,259	52,034	0	(123,311)	0	67,410	(4,974)	(35,636)	0	818,782
FHoT	0	0	0	0	0	0	0	0	0	0
Consolidated Total	863,259	52,034	0	(123,311)	0	67,410	(4,974)	(35,636)	0	818,782

TOTAL

Clinical negligence:-										
Secondary Care	675,442	(53,022)	(17,397)	(121)	0	188,326	(85,514)	(61,915)	(183)	645,616
Primary Care	0	0	0	0	0	122	0	0	0	122
Redress Secondary Care	3,375	0	(664)	(5)	0	3,456	(1,611)	(1,702)	0	2,849
Redress Primary Care	0	0	0	0	0	0	0	0	0	0
Personal injury	5,144	0	(134)	9	0	5,772	(1,504)	(1,567)	0	7,720
All other losses and special payments	1	0	0	0	0	5,761	(5,762)	0	0	0
Defence legal fees and other administration	8,633	0	0	117	0	3,797	(1,772)	(1,896)	0	8,879
Structured Settlements - WRPS	441,063	53,022	0	0	0	19,651	(14,873)	(31,628)	548	467,783
Pensions relating to: former directors	0		0	0	0	0	0	0	0	0
Pensions relating to: other staff	109		(6)	0	0	5	(19)	0	0	89
2019-20 Scheme Pays - Reimbursement	0		0	0	0	0	0	0	0	0
Restructurings	0		0	0	0	0	0	0		0
Other	1,868		0	0	0	1,855	0	(1,040)		2,683
Total	1,135,635	0	(18,201)	0	0	228,745	(111,055)	(99,748)	365	1,135,741
FHoT	0	0	0	0	0	0	0	0	0	0
Consolidated Total	1,135,635	0	(18,201)	0	0	228,745	(111,055)	(99,748)	365	1,135,741

Expected timing of cash flows:

	In year to 31 March 2022	Between 01-Apr-22 to 31 March 2026	Thereafter	Totals
	£000	£000	£000	£000
Clinical negligence:-				
Secondary Care	286,428	269,198	89,990	645,616
Primary Care	122	0	0	122
Redress Secondary Care	2,843	6	0	2,849
Redress Primary Care	0	0	0	0
Personal injury	6,428	1,292	0	7,720
All other losses and special payments	0	0	0	0
Defence legal fees and other administration	5,590	3,289	0	8,879
Structured Settlements - WRPS	15,111	63,205	389,467	467,783
Pensions - former directors	0	0	0	0
Pensions - other staff	18	63	8	89
2019-20 Scheme Pays - Reimbursement	0	0	0	0
Restructuring	0	0	0	0
Other	419	2,123	141	2,683
Total	316,959	339,176	479,606	1,135,741
FHoT	0	0	0	0
Consolidated Total	316,959	339,176	479,606	1,135,741

23. Provisions NHS Trust 2020-21

Current	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
Clinical negligence:-										
Secondary Care	0	0	0	0	0	383	(329)	0	0	54
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	0	0	0	0	0	18	0	0	0	18
All other losses and special payments	1	0	0	0	0	5,761	(5,762)	0	0	0
Defence legal fees and other administration	71	0	0	0	0	114	(9)	(86)	0	90
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	19		(6)	24	0	0	(19)	0	0	18
2019-20 Scheme Pays - Reimbursement	0		0	0	0	0	0	0	0	0
Restructurings	0		0	0	0	0	0	0		0
Other	645		0	0	0	745	0	(971)		419
Total	736	0	(6)	24	0	7,021	(6,119)	(1,057)	0	599
FHoT	0	0	0	0	0	0	0	0	0	0
Consolidated Total	736	0	(6)	24	0	7,021	(6,119)	(1,057)	0	599

Non Current

Clinical negligence:-										
Secondary Care	0	0	0	0	0	0	0	0	0	0
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	0	0	0	0	0	0	0	0	0	0
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	0	0	0	0	0
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	90		0	(24)	0	5	0	0	0	71
2019-20 Scheme Pays - Reimbursement	0		0	0	0	0	0	0	0	0
Restructurings	0		0	0	0	0	0	0		0
Other	1,223		0	0	0	1,110	0	(69)		2,264
Total	1,313	0	0	(24)	0	1,115	0	(69)	0	2,335
FHoT	0	0	0	0	0	0	0	0	0	0
Consolidated Total	1,313	0	0	(24)	0	1,115	0	(69)	0	2,335

TOTAL

Clinical negligence:-										
Secondary Care	0	0	0	0	0	383	(329)	0	0	54
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	0	0	0	0	0	18	0	0	0	18
All other losses and special payments	1	0	0	0	0	5,761	(5,762)	0	0	0
Defence legal fees and other administration	71	0	0	0	0	114	(9)	(86)	0	90
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	109		(6)	0	0	5	(19)	0	0	89
2019-20 Scheme Pays - Reimbursement	0		0	0	0	0	0	0	0	0
Restructurings	0		0	0	0	0	0	0		0
Other	1,868		0	0	0	1,855	0	(1,040)		2,683
Total	2,049	0	(6)	0	0	8,136	(6,119)	(1,126)	0	2,934
FHoT	0	0	0	0	0	0	0	0	0	0
Consolidated Total	2,049	0	(6)	0	0	8,136	(6,119)	(1,126)	0	2,934

Expected timing of cash flows:

	In year to 31 March 2022	Between 01-Apr-22 to 31 March 2026	Thereafter	Totals
	£000	£000	£000	£000
Clinical negligence:-				
Secondary Care	54	0	0	54
Primary Care	0	0	0	0
Redress Secondary Care	0	0	0	0
Redress Primary Care	0	0	0	0
Personal injury	18	0	0	18
All other losses and special payments	0	0	0	0
Defence legal fees and other administration	90	0	0	90
Structured Settlements - WRPS	0	0	0	0
Pensions - former directors	0	0	0	0
Pensions - other staff	18	63	8	89
2019-20 Scheme Pays - Reimbursement	0	0	0	0
Restructuring	0	0	0	0
Other	419	2,123	141	2,683
Total	599	2,186	149	2,934
FHoT	0	0	0	0
Consolidated Total	599	2,186	149	2,934

23. Provisions WRP 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
Current	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Clinical negligence:-										
Secondary Care	244,512	(53,022)	(17,397)	123,233	0	126,632	(80,563)	(56,815)	(183)	286,397
Primary Care	0	0	0	0	0	122	0	0	0	122
Redress Secondary Care	3,335	0	(664)	34	0	3,451	(1,611)	(1,702)	0	2,843
Redress Primary Care	0	0	0	0	0	0	0	0	0	0
Personal injury	4,803	0	(134)	(1,060)	0	5,663	(1,504)	(1,358)	0	6,410
All other losses and special payments	0	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	4,668	0	0	1,080	0	2,766	(1,694)	(1,288)	0	5,532
Structured Settlements - WRPS	14,555	988	0	0	0	15,785	(14,873)	(1,892)	548	15,111
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	0	0	0		0
Total	271,873	(52,034)	(18,195)	123,287	0	154,419	(100,245)	(63,055)	365	316,415
FHoT	0	0	0	0	0	0	0	0	0	0
Consolidated Total	271,873	(52,034)	(18,195)	123,287	0	154,419	(100,245)	(63,055)	365	316,415

Non Current

Clinical negligence:-										
Secondary Care	431,038	0	0	(123,354)	0	61,390	(4,786)	(5,100)	0	359,188
Primary Care	0	0	0	0	0	0	0	0	0	0
Redress Secondary Care	40	0	0	(39)	0	5	0	0	0	6
Redress Primary Care	0	0	0	0	0	0	0	0	0	0
Personal injury	341	0	0	1,069	0	91	0	(209)	0	1,292
All other losses and special payments	0	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	4,020	0	0	(963)	0	942	(188)	(522)	0	3,289
Structured Settlements - WRPS	426,508	52,034	0	0	0	3,866	0	(29,736)	0	452,672
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	0	0	0		0
Total	861,947	52,034	0	(123,287)	0	66,294	(4,974)	(35,567)	0	816,447
FHoT	0	0	0	0	0	0	0	0	0	0
Consolidated Total	861,947	52,034	0	(123,287)	0	66,294	(4,974)	(35,567)	0	816,447

TOTAL

Clinical negligence:-										
Secondary Care	675,550	(53,022)	(17,397)	(121)	0	188,022	(85,349)	(61,915)	(183)	645,585
Primary Care	0	0	0	0	0	122	0	0	0	122
Redress Secondary Care	3,375	0	(664)	(5)	0	3,456	(1,611)	(1,702)	0	2,849
Redress Primary Care	0	0	0	0	0	0	0	0	0	0
Personal injury	5,144	0	(134)	9	0	5,754	(1,504)	(1,567)	0	7,702
All other losses and special payments	0	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	8,688	0	0	117	0	3,708	(1,882)	(1,810)	0	8,821
Structured Settlements - WRPS	441,063	53,022	0	0	0	19,651	(14,873)	(31,628)	548	467,784
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	0	0	0		0
Total	1,133,820	0	(18,195)	0	0	220,713	(105,219)	(98,622)	365	1,132,862
FHoT	0	0	0	0	0	0	0	0	0	0
Consolidated Total	1,133,820	0	(18,195)	0	0	220,713	(105,219)	(98,622)	365	1,132,862

Expected timing of cash flows:

	In year to 31 March 2022 £000	Between 01-Apr-22 to 31 March 2026 £000	Thereafter £000	Totals £000
Clinical negligence:-				
Secondary Care	286,397	269,197	89,990	645,584
Primary Care	122	0	0	122
Redress Secondary Care	2,843	6	0	2,849
Redress Primary Care	0	0	0	0
Personal injury	6,410	1,292	0	7,702
All other losses and special payments	0	0	0	0
Defence legal fees and other administration	5,532	3,289	0	8,821
Structured Settlements - WRPS	15,111	63,205	389,468	467,784
Pensions - former directors	0	0	0	0
Pensions - other staff	0	0	0	0
2019-20 Scheme Pays - Reimbursement	0	0	0	0
Restructuring	0	0	0	0
Other	0	0	0	0
Total	316,415	336,989	479,458	1,132,862
FHoT	0	0	0	0
Consolidated Total	316,415	336,989	479,458	1,132,862

The provisions relate to amounts over £25,000 in respect of ongoing claims against the NHS in Wales, the outcome of which will not be determined until the case has been finalised.

Timings of cashflow have been profiled to match total current liabilities. However, the total will include cases which may settle with a structured settlement, so the underlying cashflows will be over a number of years. Also, there can be delays in settlement dates anticipated for next year which will further impact the cash flow timings.

23. Provisions (continued) 2019-20
NHS Trust and Welsh Risk Pool

	At 1 April 2019	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 2020
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Current										
Clinical negligence:-										
Secondary Care	260,174	(32,011)	(18,252)	(41,351)	0	233,169	(74,236)	(82,810)	(279)	244,404
Primary Care	0	0	0	0	0	0	0	0	0	0
Redress Secondary Care	1,941	0	0	(7)	0	4,099	(1,880)	(818)	0	3,335
Redress Primary Care	0	0	0	0	0	0	0	0	0	0
Personal injury	2,240	0	0	(31)	0	5,408	(2,049)	(765)	0	4,803
All other losses and special payments	1	0	0	0	0	1	0	(1)	0	1
Defence legal fees and other administration	4,641	0	0	(430)	0	3,645	(1,608)	(1,634)	0	4,614
Structured Settlements - WRPS	13,819	627	0	0	0	14,693	(13,972)	(710)	98	14,555
Pensions relating to: former directors	0		0	0	0	0	0	0	0	0
Pensions relating to: other staff	19		(6)	26	0	0	(20)	0	0	19
2019-20 Scheme Pays - Reimbursement	0		0	0	0	0	0	0	0	0
Restructurings	0		0	0	0	0	0	0		0
Other	908		0	0	0	537	0	(800)		645
Total	283,743	(31,384)	(18,258)	(41,793)	0	261,552	(93,765)	(87,538)	(181)	272,376
FHoT	0	0	0	0	0	0	0	0	0	0
Consolidated Total	283,743	(31,384)	(18,258)	(41,793)	0	261,552	(93,765)	(87,538)	(181)	272,376
Non Current										
Clinical negligence:-										
Secondary Care	386,660	0	0	41,163	0	63,700	(7,693)	(52,792)	0	431,038
Primary Care	0	0	0	0	0	0	0	0	0	0
Redress Secondary Care	0	0	0	0	0	1,138	(29)	(1,069)	0	40
Redress Primary Care	0	0	0	0	0	0	0	0	0	0
Personal injury	300	0	0	31	0	24	0	(14)	0	341
All other losses and special payments	0	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	2,992	0	0	625	0	1,209	(262)	(545)	0	4,019
Structured Settlements - WRPS	408,696	31,384	0	0	0	4,326	0	(17,898)	0	426,508
Pensions relating to: former directors	0		0	0	0	0	0	0	0	0
Pensions relating to: other staff	102		0	(26)	0	14	0	0	0	90
2019-20 Scheme Pays - Reimbursement	0		0	0	0	0	0	0	0	0
Restructurings	0		0	0	0	0	0	0		0
Other	661		0	0	0	562	0	0		1,223
Total	799,411	31,384	0	41,793	0	70,973	(7,984)	(72,318)	0	863,259
FHoT	0	0	0	0	0	0	0	0	0	0
Consolidated Total	799,411	31,384	0	41,793	0	70,973	(7,984)	(72,318)	0	863,259
TOTAL										
Clinical negligence:-										
Secondary Care	646,834	(32,011)	(18,252)	(188)	0	296,869	(81,929)	(135,602)	(279)	675,442
Primary Care	0	0	0	0	0	0	0	0	0	0
Redress Secondary Care	1,941	0	0	(7)	0	5,237	(1,909)	(1,887)	0	3,375
Redress Primary Care	0	0	0	0	0	0	0	0	0	0
Personal injury	2,540	0	0	0	0	5,432	(2,049)	(779)	0	5,144
All other losses and special payments	1	0	0	0	0	1	0	(1)	0	1
Defence legal fees and other administration	7,633	0	0	195	0	4,854	(1,870)	(2,179)	0	8,633
Structured Settlements - WRPS	422,515	32,011	0	0	0	19,019	(13,972)	(18,608)	98	441,063
Pensions relating to: former directors	0		0	0	0	0	0	0	0	0
Pensions relating to: other staff	121		(6)	0	0	14	(20)	0	0	109
2019-20 Scheme Pays - Reimbursement	0		0	0	0	0	0	0	0	0
Restructurings	0		0	0	0	0	0	0		0
Other	1,569		0	0	0	1,099	0	(800)		1,868
Total	1,083,154	0	(18,258)	0	0	332,525	(101,749)	(159,856)	(181)	1,135,635
FHoT	0	0	0	0	0	0	0	0	0	0
Consolidated Total	1,083,154	0	(18,258)	0	0	332,525	(101,749)	(159,856)	(181)	1,135,635

24 Contingencies

24.1 Contingent liabilities

Provision has not been made in these accounts for the following amounts:

	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
	NHS Trust		Consolidated	
Legal claims for alleged medical or employer negligence;				
Secondary care	1,346,180	1,097,725	1,346,180	1,097,725
Primary Care	275	71	275	71
Secondary care - Redress	1,173	1,174	1,173	1,174
Primary Care - Redress	0	0	0	0
Doubtful debts	0	0	0	0
Equal pay cases	0	0	0	0
Defence costs	0	0	0	0
Other: Damage to third party equipment	0	1,020	0	1,020
Total value of disputed claims	1,347,628	1,099,990	1,347,628	1,099,990
Amount recovered under insurance arrangements in the event of these claims being successful	(1,347,156)	(1,099,883)	(1,347,156)	(1,099,883)
Net contingent liability	472	107	472	107

Other litigation claims could arise in the future due to known incidents. The expenditure which may arise from such claims cannot be determined and no provision has been made for them.

Liability for Permanent Injury Benefit under the NHS Injury Benefit Scheme lies with the employer. Individual claims to the NHS Pensions Agency could arise due to known incidents.

Contingent liabilities includes claims relating to alleged clinical negligence, personal injury and permanent injury benefits under the NHS Injury Benefits Scheme. The above figures include contingent liabilities for all Health Bodies in Wales.

Pensions tax annual allowance - Scheme Pays arrangements 2019/2020

In accordance with a Ministerial Direction issued on 18 December 2019, the Welsh Government have taken action to support circumstances where pension tax rules are impacting upon clinical staff who want to work additional hours, and have determined that clinical staff who are members of the NHS Pension Scheme and who, as a result of work undertaken in the 2019/2020 tax year, face a charge on the growth of their NHS pension benefits, may opt to have this charge paid by the NHS Pension Scheme, with their pension reduced on retirement.

Welsh Government, on behalf of Velindre University NHS Trust, will pay the members who opt for reimbursement of their pension, a corresponding amount on retirement, ensuring that they are fully compensated for the effect of the deduction.

This scheme will be fully funded by the Welsh Government to the NHS Business Services Authority Pension Division, the administrators on behalf of the Welsh claimants.

Clinical staff have until 31 March 2022 to opt for this scheme and the ability to make changes up to 31 July 2026.

At the date of approval of these accounts, there was insufficient data of take-up of the scheme by the Welsh clinical staff to enable a reasonable assessment of future take up to be made. As no reliable estimate can therefore be made to support the creation of a provision at 31 March 2021, the existence of an unquantified contingent liability is instead disclosed.

24.2. Remote contingent liabilities

	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
	NHS Trust		Consolidated	
Guarantees	0	0	0	0
Indemnities	60,981	38,006	60,981	38,006
Letters of comfort	0	0	0	0
Total	60,981	38,006	60,981	38,006

24.3 Contingent assets

	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
	NHS Trust		Consolidated	
Damage to Equipment	0	2,821	0	2,821
	0	0	0	0
	0	0	0	0
Total	0	2,821	0	2,821

The contingent asset noted in 2019/2020 related to NWIS. Following legal advice, NWIS sought agreement to settle the situation in a way that avoided a long legal process between two public sector bodies and was an appropriate reasonable resolution. Consequently, the corresponding contingent asset and liability items presented with the 2019/2020 accounts have been removed.

25. Capital commitments

Commitments under capital expenditure contracts at the statement of financial position sheet date were:

	31 March	31 March	31 March	31 March
	2021	2020	2021	2020
	NHS Trust		Consolidated	
	£000	£000	£000	£000
Property, plant and equipment	1,565	6,406	1,565	6,406
Intangible assets	6,656	2,842	6,656	2,842
Total	8,221	9,248	8,221	9,248

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 or written-off during the financial year

	Amounts paid out during year to 31 March 2021	
	Number	£
Clinical negligence	256	68,286,851
Personal injury	76	2,328,395
All other losses and special payments	247	9,632,858
Total	579	80,248,104

Analysis of cases:

Case Reference	Number	Case Type	Amounts paid out in year £	Cumulative amount £
Cases where cumulative amount exceeds £300,000				
Velindre University NHS Trust	1	Clinical Negligence	97,446	303,446
Velindre University NHS Trust	1	1 x stock write-off	5,714,816	5,714,816
WRP - Secondary Care				
Aneurin Bevan UHB	1	Clinical Negligence	1,067,805	1,067,805
Betsi Cadwaladr UHB	7	Clinical Negligence	13,763,561	15,283,566
Cardiff and Vale UHB	7	6 x Clinical Negligence, 1 x Damage to property	11,015,440	11,015,440
Cwm Taf Morgannwg UHB	4	Clinical Negligence	11,096,789	11,096,789
Hywel Dda UHB	7	Clinical Negligence	18,975,369	21,508,788
Swansea Bay UHB	2	Clinical Negligence	2,201,146	2,201,146
Public Health Wales NHS Trust	1	Clinical Negligence	334,477	334,477
Welsh Ambulance NHS Trust	1	Personal Injury	330,935	4,470,529
Sub-total	32		64,597,784	72,996,802
All other cases	547		15,650,320	77,259,052
Total cases	579		80,248,104	150,255,854

26.2 Velindre NHS Trust excluding WRP 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 or written-off during the financial year

	Amounts paid out during year to 31 March 2021	
	Number	£
Clinical negligence	4	329,003
Personal injury	0	0
All other losses and special payments	5	5,760,583
Total	9	6,089,586

Analysis of cases:

Case Reference	Number	Case Type	Amounts paid out in year	Cumulative amount
Cases where cumulative amount exceeds £300,000			£	£
	1	Clinical Negligence	97,446	303,446
	1	Stock write-off	5,714,816	5,714,816

Sub-total	2	5,812,262	6,018,262
All other cases	7	277,324	399,375
Total cases	9	6,089,586	6,417,637

The stock write off shown above was in respect of over provisioning of beds / mattresses to support NHS Wales' field hospital response to the COVID 19 pandemic. The purchases were made by NWSSP on behalf of some NHS Wales Health Boards in response to their anticipated requirements. Consideration has been given to whether a market for these items exists elsewhere within the public sector in Wales, including whether they could potentially be provided for zero consideration to other areas of health & social care in 2021/2022.

26. 3 WRP 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 or written-off during the financial year

	Amounts paid out during year to 31 March 2021	
	Number	£
Clinical negligence	252	67,957,848
Personal injury	76	2,328,395
All other losses and special payments	242	3,872,275
Total	570	74,158,518

Analysis of cases:

Case Reference	Number	Case Type	Amounts paid out in year £	Cumulative amount £
Cases where cumulative amount exceeds £300,000				
Secondary Care				
Aneurin Bevan UHB	1	Clinical Negligence	1,067,805	1,067,805
Betsi Cadwaladr UHB	7	Clinical Negligence	13,763,561	15,283,566
Cardiff and Vale UHB	7	6 x Clinical Negligence, 1 x Damage to property	11,015,440	11,015,440
Cwm Taf Morgannwg UHB	4	Clinical Negligence	11,096,789	11,096,789
Hywel Dda UHB	7	Clinical Negligence	18,975,369	21,508,788
Swansea Bay UHB	2	Clinical Negligence	2,201,146	2,201,146
Public Health Wales NHS Trust	1	Clinical Negligence	334,477	334,477
Welsh Ambulance NHS Trust	1	Personal Injury	330,935	4,470,529
Sub-total	30		58,785,522	66,978,540
All other cases	540		15,372,996	76,859,677
Total cases	570		74,158,518	143,838,217

27. Finance leases

27.1 Finance leases obligations (as lessee)

Velindre University NHS Trust leases certain items of plant and equipment, which are mainly printers, under finance leases. The average lease term is 5 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

The fair value of Velindre University NHS Trust's lease obligations is approximately equal to their carrying amount. Velindre University NHS Trust's obligation under finance leases are secured by the lessors' right over the leased assets disclosed in note 13.

Amounts payable under finance leases:

LAND	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
	NHS Trust		Consolidated	
Minimum lease payments				
Within one year	0	0	0	0
Between one and five years	0	0	0	0
After five years	0	0	0	0
Less finance charges allocated to future periods	0	0	0	0
Minimum lease payments	0	0	0	0
Included in:				
Current borrowings	0	0	0	0
Non-current borrowings	0	0	0	0
Total	0	0	0	0
Present value of minimum lease payments				
Within one year	0	0	0	0
Between one and five years	0	0	0	0
After five years	0	0	0	0
Total present value of minimum lease payments	0	0	0	0
Included in:				
Current borrowings	0	0	0	0
Non-current borrowings	0	0	0	0
Total	0	0	0	0

27.1 Finance leases obligations (as lessee) continued

Amounts payable under finance leases:

BUILDINGS

	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
	NHS Trust		Consolidated	
Minimum lease payments				
Within one year	0	0	0	0
Between one and five years	0	0	0	0
After five years	0	0	0	0
Less finance charges allocated to future periods	0	0	0	0
Minimum lease payments	0	0	0	0
Included in: Current borrowings	0	0	0	0
Non-current borrowings	0	0	0	0
Total	0	0	0	0
Present value of minimum lease payments				
Within one year	0	0	0	0
Between one and five years	0	0	0	0
After five years	0	0	0	0
Total present value of minimum lease payments	0	0	0	0
Included in: Current borrowings	0	0	0	0
Non-current borrowings	0	0	0	0
Total	0	0	0	0

OTHER

	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
	NHS Trust		Consolidated	
Minimum lease payments				
Within one year	8	21	8	21
Between one and five years	0	9	0	9
After five years	0	0	0	0
Less finance charges allocated to future periods	0	(1)	0	(1)
Minimum lease payments	8	29	8	29
Included in: Current borrowings	8	21	8	21
Non-current borrowings	0	8	0	8
Total	8	29	8	29
Present value of minimum lease payments				
Within one year	8	21	8	21
Between one and five years	0	9	0	9
After five years	0	(1)	0	(1)
Total present value of minimum lease payments	8	29	8	29
Included in: Current borrowings	8	21	8	21
Non-current borrowings	0	8	0	8
Total	8	29	8	29

27.2 Finance lease receivables (as lessor)

The Trust has no finance lease receivables.

Amounts receivable under finance leases:

	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
	NHS Trust		Consolidated	
Gross investment in leases				
Within one year	0	0	0	0
Between one and five years	0	0	0	0
After five years	0	0	0	0
Less finance charges allocated to future periods	0	0	0	0
Present value of minimum lease payments	0	0	0	0
Included in:				
Current borrowings	0	0	0	0
Non-current borrowings	0	0	0	0
Total	0	0	0	0
Present value of minimum lease payments				
Within one year	0	0	0	0
Between one and five years	0	0	0	0
After five years	0	0	0	0
Less finance charges allocated to future periods	0	0	0	0
Total present value of minimum lease payments	0	0	0	0
Included in:				
Current borrowings	0	0	0	0
Non-current borrowings	0	0	0	0
Total	0	0	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 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
	NHS Trust		Consolidated	
Movements in working capital				
(Increase) / decrease in inventories	(82,430)	(4,174)	(82,430)	(4,174)
(Increase) / decrease in trade and other receivables - non-current	45,820	(64,316)	45,820	(64,316)
(Increase) / decrease in trade and other receivables - current	(134,576)	(30,044)	(134,176)	(30,507)
Increase / (decrease) in trade and other payables - non-current	7,301	0	7,301	0
Increase / (decrease) in trade and other payables - current	186,866	43,287	186,793	43,351
Total	22,981	(55,247)	23,308	(55,646)
Adjustment for accrual movements in fixed assets - creditors	1,455	2,193	1,455	2,194
Adjustment for accrual movements in fixed assets - debtors	103	84	103	84
Other adjustments	740	316	885	519
Total	25,279	(52,654)	25,751	(52,849)

31. Other cash flow adjustments

	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
	NHS Trust		Consolidated	
Other cash flow adjustments				
Depreciation	11,740	11,677	11,740	11,677
Amortisation	5,815	5,509	5,815	5,509
(Gains)/Loss on Disposal	0	0	0	0
Impairments and reversals	0	0	0	0
Release of PFI deferred credits	0	0	0	0
NWSSP Covid assets issued debited to expenditure but non-cash	0	0	0	0
NWSSP Covid assets received credited to revenue but non-cash	0	0	0	0
Donated assets received credited to revenue but non-cash	(50)	(18)	(50)	(18)
Government Grant assets received credited to revenue but non-cash	(1,134)	0	(1,134)	0
Non-cash movements in provisions	111,161	154,230	111,161	154,230
Total	127,532	171,398	127,532	171,398

32. Events after 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.

The NHS Wales Informatics Service (NWIS) which has been hosted by the Trust since 1 April 2010 ceased to be hosted by the Trust on 1 April 2021, and became a new Special Health Authority, Digital Health & Care Wales. Assets and liabilities held at 31 March 2021 and reported in these accounts will be reviewed and split accordingly between both organisations once audited accounts have been finalised. Welsh Government have requested that this exercise be completed with final values confirmed by 30 September 2021. The Trust's 2021/2022 accounts will include reference to any material movements as a result of the transfer.

At the end of April 2021, Welsh Government agreed to supply PPE and ventilation equipment to India to support their crisis Covid-19 response. Assets with a value of £0.521m included within the inventories total at 31 March 2021 have been supplied.

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:

	Expenditure to related party £000	Income from related party £000	Amounts owed to related party £000	Amounts due from related party £000
Welsh Government	20,830	435,320	120,136	1,298,645
WHSCC	0	47,483	2,011	7
Aneurin Bevan UHB	10,458	54,546	25,848	3,137
Betsi Cadwaladr UHB	20,492	25,668	20,647	2,121
Cardiff and Vale UHB	17,846	56,849	28,310	5,127
Cwm Taf Morgannwg UHB	18,443	29,125	32,036	796
Hywel Dda UHB	24,784	20,512	14,350	885
Powys THB	764	4,286	503	479
Swansea Bay UHB	8,604	28,350	26,738	1,877
Public Health Wales NHS Trust	1,200	6,251	778	1,017
Welsh Ambulance Service NHS Trust	2,009	2,650	1,207	224
Health Education & Improvement Wales	30	39,038	16	938
Welsh Risk Pool	0	0	0	382
Welsh Local Authorities	2,262	307	360	431
Cardiff University	2,070	233	286	53
Swansea University	72	322	36	56
Cardiff Metropolitan University (UWIC)	15	0	1	0
Bangor University	32	0	26	0
University of Wales Trinity St Davids	85	64	15	16
University of South Wales	303	7	84	1
Wrexham Glyndwr University	10	12	9	1
Aberystwyth University	1	0	0	0
Doopoll Ltd	6	0	6	0
RAW Electrical Solutions Ltd	4	0	1	0
City Hospice	650	273	233	21
	130,970	751,296	273,637	1,316,214

In addition, the Trust has had a number of material transactions with other Government departments and other central and local Government bodies. The majority of these transactions have been with universities as disclosed above; other transactions include payments to English, Scottish and Irish NHS organisations amounting to £7,409,000 (2019/2020 £2,217,062); of this total £1,442,000 related to an English Trust that provides a lease car salary sacrifice scheme to Trust employees, and approximately £2,900,000 to external data contracts held by NWSSP.

The Trust Board is the corporate trustee of Velindre University NHS Trust Charitable Funds. During the year the Trust received £2,501,000 (2019/2020 £2,143,000) from Velindre University NHS Trust Charitable Funds.

Welsh Government receipts exclude £9,485,000 that relates to Public Dividend Capital (PDC) received during 2020/2021 (2019/2020 £4,522,000).

Transactions with Doopoll Ltd, RAW Electrical Solutions Ltd and City Hospice have been disclosed due to senior Trust managers declaring an interest in these parties and the transactions are deemed to be of material value to those companies.

34. Third party assets

The Trust held £nil cash at bank and in hand at 31 March 2021 (31 March 2020, £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 2021 (31 March 2020, £nil).

35. Pooled budgets

Velindre University NHS Trust has no pooled budgets.

36. Operating Segments

IFRS 8 requires organisations to report information about each of its operating segments.

36. Operating Segments

	VELINDRE		NWIS		NWSSP		WRP		TOTAL		FHOT		ELIMINATIONS		CONSOLIDATED	
	2020-21	2019-20 Reclassified	2020-21	2019-20	2020-21	2019-20 Reclassified	2020-21	2019-20	2020-21	2019-20 Reclassified	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20 Reclassified
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Operating Revenue																
Segmental Income	148,746	148,916	101,929	88,461	470,735	162,088	126,811	172,521	848,223	571,986	2,683	2,799	(2,501)	(2,143)	848,405	572,642
	148,746	148,916	101,929	88,461	470,735	162,088	126,811	172,521	848,223	571,986	2,683	2,799	(2,501)	(2,143)	848,405	572,642
Operating Expenses																
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Local Health Boards	218	299	3,416	3,978	6,227	3,650	0	0	9,861	7,927	0	0	0	0	9,861	7,927
Welsh NHS Trusts	0	0	732	152	21	70	0	0	753	222	0	0	0	0	753	222
Health Education and Improvement Wales	0	0	19	0	0	0	0	0	19	0	0	0	0	0	19	0
Goods and services from other NHS bodies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
WHSSC & EASC	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Local Authorities	0	0	174	75	0	0	0	0	174	75	0	0	0	0	174	75
Purchase of healthcare from non-NHS bodies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Welsh Government	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other NHS Trusts	0	0	0	0	506	495	0	0	506	495	0	0	0	0	506	495
Directors' costs	1,353	1,280	0	0	0	0	0	0	1,353	1,280	0	0	0	0	1,353	1,280
Operational staff costs	69,894	65,832	35,989	31,338	72,073	56,514	0	0	177,956	153,684	0	0	0	0	177,956	153,684
Non operational trainee staff costs	0	0	0	0	62,340	27,441	0	0	62,340	27,441	0	0	0	0	62,340	27,441
Single lead employer staff trainee costs	0	280	0	0	247	0	0	0	247	280	0	0	0	0	247	280
Collaborative bank staff costs	0	0	0	0	176	0	0	0	176	0	0	0	0	0	176	0
Supplies and services - clinical	61,940	62,112	(319)	18	68,584	521	0	0	130,205	62,651	0	0	0	0	130,205	62,651
Supplies and services - general	1,693	790	148	203	59,927	48,008	0	0	61,768	49,001	0	0	0	0	61,768	49,001
Consultancy Services	700	697	4,337	2,067	935	836	0	0	5,972	3,600	0	0	0	0	5,972	3,600
Establishment	2,304	2,523	6,279	7,218	6,544	6,073	0	0	15,127	15,814	0	0	0	0	15,127	15,814
Transport	1,058	967	10	23	1,640	1,339	0	0	2,708	2,329	0	0	0	0	2,708	2,329
Premises	6,659	7,297	42,647	35,555	15,914	9,863	0	0	65,220	52,715	0	0	0	0	65,220	52,715
				0	0	0	0	0								
Costs of generating funds	0	0	0	0	0	0	0	0	0	0	267	518	(177)	(233)	90	285
Charitable activities	0	0	0	0	0	0	0	0	0	0	2,471	2,175	(2,288)	(1,810)	183	365
Governance Costs	0	0	0	0	0	0	0	0	0	0	36	100	(36)	(100)	0	0
				0	0	0	0	0								
Impairments and Reversals of Receivables	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Depreciation	5,943	6,041	3,504	3,638	2,292	1,999	0	0	11,739	11,678	0	0	0	0	11,739	11,678
Amortisation	411	420	5,019	4,748	385	339	0	0	5,815	5,507	0	0	0	0	5,815	5,507
Impairments and reversals of property, plant and equipment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Impairments and reversals of intangible assets	0	0	0	0	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	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	0	0	0	0
Audit fees	216	209	0	0	0	0	0	0	216	209	12	0	0	0	228	209
Other auditors' remuneration	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Losses, special payments and irrecoverable debts	(4,413)	(446)	0	0	6,143	102	126,446	172,702	128,176	172,358	0	0	0	0	128,176	172,358
Research and development	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
COVID items issued free of charge to NHS Wales organisations	(570)	0	0	0	50,167	0	0	0	49,597	0	0	0	0	0	49,597	0
COVID items issued free of charge to other organisations	0	0	0	0	100,247	0	0	0	100,247	0	0	0	0	0	100,247	0
Other operating expenses	1,275	689	(26)	(552)	15,236	4,832	0	0	16,486	4,969	0	0	0	0	16,486	4,969
Total	148,681	148,990	101,929	88,461	469,604	162,082	126,446	172,702	846,661	572,235	2,786	2,793	(2,501)	(2,143)	846,946	572,885
Investment Revenue	0	109	0	0	0	0	0	0	0	109	133	150	0	0	133	259
Other Gains and Losses	30	(2)	0	0	(5)	4	0	0	25	2	0	0	0	0	25	2
Finance Costs	0	(2)	0	0	0	0	(365)	181	(365)	179	0	0	0	0	(365)	179
SURPLUS / (DEFICIT)	95	31	0	0	1,126	10	0	0	1,222	41	30	156	0	0	1,252	197

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 2020 to 31 March 2021. This has been calculated from actual Welsh Government expenditure for the 6.3% staff employer pension contributions between April 2020 and February 2021 alongside Trust data for March 2021.

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:

	2020-21	2019-20
		Reclassified
STATEMENT OF COMPREHENSIVE INCOME	£000	£000
FOR THE YEAR ENDED 31 MARCH 2021		
Revenue from patient care activities	9,725	7,715
Operating expenses	9,725	7,715
3. Analysis of gross operating costs		
3. Revenue from patient care activities		
Welsh Government	2,972	2,657
Welsh Government - Hosted Bodies	6,753	5,058
5.1 Operating expenses		
Directors' costs	66	76
Operational staff costs	7,532	7,630
Non operational trainee staff costs	2,114	-
Single lead employer staff trainee cost	8	9
Collaborative bank staff cost	6	-

The increase predominantly relates to pension contributions for trainees newly employed in 2020-2021 by NWSSP on behalf of other NHS Wales organisations, under the All Wales Single Lead Employer scheme.

2019-2020 costs have been reclassified to show the costs for the trainees that were directly employed by Velindre Cancer Centre in that year.

37. Other Information (continued)**37.2 Other (continued)**

Welsh Government Covid 19 Funding	NWIS 2020-21 £000	NWSSP 2020-21 £000	Velindre 2020-21 £000	Total 2020-21 £000
Capital				
Capital Funding Field Hospitals	-	-	-	-
Capital Funding Equipment & Works	2,136	1,081	1,845	5,062
Capital Funding other (Specify)	-	674	-	674
Welsh Government Covid 19 Capital Funding	2,136	1,755	1,845	5,736
Revenue				
Sustainability Funding	151	6,411	3,886	10,448
C-19 Pay Costs Q1 (Future Quarters covered by SF)	76	1,614	257	1,947
Field Hospital (Set Up Costs, Decommissioning & Consequential losses)	-	-	-	-
PPE (including All Wales Equipment via NWSSP)	-	152,918	-	152,918
TTP- Testing & Sampling - Pay & Non Pay	-	1,222	-	1,222
TTP - NHS & LA Tracing - Pay & Non Pay	3,061	-	-	3,061
Vaccination - Extended Flu Programme	-	-	-	-
Vaccination - COVID-19	1,000	626	200	1,826
Annual Leave Accrual - Increase due to Covid	-	-	-	-
Staff Bonus Payment	709	1,928	1,498	4,135
Urgent & Emergency Care	-	-	-	-
Support for Adult Social Care Providers	-	-	-	-
Hospices	-	-	9,300	9,300
Independent Health Sector	-	-	-	-
Mental Health	-	-	-	-
Other Primary Care	300	-	-	300
Other	3,592	18	450	4,060
Welsh Government Covid 19 Revenue Funding	8,889	164,737	15,591	189,217

Trust Wide

A bonus payment for NHS staff was announced by the Welsh Health Minister in March 2021. This is estimated at £4.135m for the Trust as a whole, and will be paid to staff in early 2021/2022.

Velindre

Velindre also received £9.3m of pass through funding from Welsh Government for the Hospices which has been netted off within the accounts to ensure Trust income and expenditure was not overstated.

NWIS

In addition to the above Welsh Government Covid 19 funding, NWIS internally funded additional revenue expenditure of £248K in relation to Test, Trace, Protect and £296K in relation to vaccinations.

NWSSP

In addition to the above Welsh Government Covid 19 funding, NWSSP has provided supplies of PPE to DHSC, Northern Ireland and Scotland with a total value of £37.450m which has been invoiced for at cost.

37. Other Information (continued)

37.3 Implementation of IFRS 16

HM Treasury agreed with the Financial Reporting Advisory Board (FRAB), to defer the implementation of IFRS 16 Leases until 1 April 2022, because of the circumstances caused by Covid-19.

To ease the pressure on NHS Wales Finance Departments, the IFRS 16 detailed impact statement has been removed by the Welsh Government Health and Social Services Group, Finance Department.

We expect the introduction of IFRS16 will not have a significant impact and this will be worked through for disclosure in our 2021-2022 financial statements.

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)



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- The identity of all related parties and all the related party relationships and transactions of which we are aware.
- Our knowledge of all possible and actual instances of irregular transactions.

Financial statement representations

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

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

Related party relationships and transactions have been appropriately accounted for and disclosed. All events occurring subsequent to the reporting date which require adjustment or disclosure have been adjusted for or disclosed.

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

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

Representations by Velindre University NHS Trust

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

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by the Board on 8 June 2021.

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

Signed by:

Signed by:

Chief Executive: Steve Ham

Trust Chair: Donna Mead

Date: 8 June 2021

Date: 8 June 2021

24 Cathedral Road / 24 Heol y Gadeirlan
Cardiff / Caerdydd
CF11 9LJ

Steve Ham, Chief Executive Professor Donna Mead, Chair Tel / Ffôn: 029 2032 0500
Via email Fax / Ffacs: 029 2032 0600

Reference: SWVEL 20-21

Date issued: 16 February 2021

Textphone / Ffôn testun: 029 2032 0660
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www.audit.wales / www.archwilio.cymru

Dear Steve and Donna

Velindre NHS Trust 2020-21 – Audit enquiries to those charged with governance and management

You will recall from our previous audit work that I am responsible for obtaining reasonable assurance that the financial statements of Velindre NHS Trust, including its hosted services, are free from material misstatement, whether caused by fraud or error.

This letter formally seeks documented consideration and understanding on a number of governance areas that impact on my audit of your financial statements. These considerations are relevant to both the management of the Velindre NHS Trust (the Trust) and ‘those charged with governance’ (the Board).

I have set out below the areas of governance on which I am seeking views.

1. Management processes in relation to:

- undertaking an assessment of the risk that the financial statements may be materially misstated due to fraud;
- identifying and responding to risks of fraud in the organisation;
- communication to employees of views on business practice and ethical behaviour; and
- communication to those charged with governance the processes for identifying and responding to fraud.

2. Management’s awareness of any actual or alleged instances of fraud.

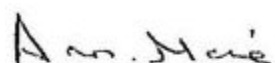
3. How management gain assurance that all relevant laws and regulations have been complied with.
4. Whether there is any potential litigation or claims that would affect the financial statements.
5. Management processes to identify, authorise, approve, account for and disclose related party transactions and relationships.

The information you provide will inform our understanding of the Trust and its business processes and support our work in providing an audit opinion on your 2020-21 financial statements.

I would be grateful if you could complete the attached tables in **Appendices**. For information purposes this table also includes the responses you provided in 2019-20.

Your responses should be formally considered and communicated to us on behalf of both management and those charged with governance by **19 April 2021**. In the meantime, if you have queries, please contact Steve Wyndham on 07891 179033 or by e-mail at steve.wyndham.@audit.wales

Yours sincerely



Ann-Marie Harkin

Engagement Director

Appendix 1

Matters in relation to fraud

International Standard for Auditing (UK and Ireland) 240 covers auditors responsibilities relating to fraud in an audit of financial statements.

The primary responsibility to prevent and detect fraud rests with both management and 'those charged with governance', which for the Velindre University NHS Trust (the Trust) is the Board. Management, with the oversight of those charged with governance, should ensure there is a strong emphasis on fraud prevention and deterrence and create a culture of honest and ethical behaviour, reinforced by active oversight by those charged with governance.

As external auditors, we are responsible for obtaining reasonable assurance that the financial statements are free from material misstatement due to fraud or error. We are required to maintain professional scepticism throughout the audit, considering the potential for management override of controls.

What are we required to do?

As part of our risk assessment procedures we are required to consider the risks of material misstatement due to fraud. This includes understanding the arrangements management has put in place in respect of fraud risks. The ISA views fraud as either:

- the intentional misappropriation of assets (cash, property, etc); or
- the intentional manipulation or misstatement of the financial statements.

We also need to understand how those charged with governance exercises oversight of management's processes. We are also required to make enquiries of both management and those charged with governance as to their knowledge of any actual, suspected or alleged fraud. for identifying and responding to the risks of fraud and the internal controls established to mitigate them.

Enquiries of management - in relation to fraud

Question	2019-2020 Response	2020-2021 Response
1. What is management's assessment of the risk that the financial statements may be materially misstated due to fraud and what are the principal reasons?	<p>The Trust's Standing Financial Instructions are designed to achieve probity, accuracy, economy, efficiency, effectiveness and sustainability in the conduct of business: they translate statutory and Welsh Government financial requirements for the NHS in Wales into day to day operating practice. Together with the adoption of Standing Orders, a Schedule of decisions reserved to the Board and a Scheme of delegation to officers and others, they provide the regulatory framework for the business conduct of the Trust.</p> <p>This regulatory framework, together with detailed and regular financial reporting throughout the year significantly mitigates the risk of the financial statements being materially misstated due to fraud. This risk is further mitigated by issuing clear guidance and instructions to management and budgetary holders regarding their financial management responsibilities.</p>	<p>The Trust's Standing Financial Instructions are designed to achieve probity, accuracy, economy, efficiency, effectiveness and sustainability in the conduct of business: they translate statutory and Welsh Government financial requirements for the NHS in Wales into day to day operating practice. Together with the adoption of Standing Orders, a Schedule of decisions reserved to the Board and a Scheme of delegation to officers and others, they provide the regulatory framework for the business conduct of the Trust.</p> <p>This regulatory framework, together with detailed and regular financial reporting throughout the year significantly mitigates the risk of the financial statements being materially misstated due to fraud. This risk is further mitigated by issuing clear guidance and instructions to management and budgetary holders regarding their financial management responsibilities.</p>

Enquiries of management - in relation to fraud		
Question	2019-2020 Response	2020-2021 Response
2. What processes are employed to identify and respond to the risks of fraud more generally and specific risks of misstatement in the financial statements?	<p>The Trust has in place a Counter Fraud Policy which is intended to provide direction and help to those officers and directors who find they have to deal with suspected cases of theft, fraud or corruption. It gives a framework for response, advice, and information on various aspects and implications of an investigation.</p> <p>The fundamental financial systems are robustly reviewed by internal audit on a cyclical basis to test that they are being used appropriately and that adequate controls are in place.</p> <p>The Trust has other policies that would support this in identifying and reporting risks, such as:</p> <ul style="list-style-type: none"> • Counter Fraud Policy and contact details for the Local Counter Fraud Policy (as mentioned above) • Incident Reporting Policy • Raising Concerns (Whistle Policy) <p>A series of Counter Fraud awareness events are held at the Trust which staff are encouraged to attend. A short summary of the Counter Fraud strategy</p>	<p>The Trust has in place a Counter Fraud Policy which is intended to provide direction and help to those officers and directors who find they have to deal with suspected cases of theft, fraud or corruption. It gives a framework for response, advice, and information on various aspects and implications of an investigation.</p> <p>The fundamental financial systems are robustly reviewed by internal audit on a cyclical basis to test that they are being used appropriately and that adequate controls are in place.</p> <p>The Trust has other policies that would support this in identifying and reporting risks, such as:</p> <ul style="list-style-type: none"> • Counter Fraud Policy and contact details for the Local Counter Fraud Policy (as mentioned above) • Incident Reporting Policy • Raising Concerns (Whistle Policy) <p>A series of Counter Fraud awareness events are held by the Trust which staff are encouraged to attend. Two sessions have been run in the later part of</p>

Enquiries of management - in relation to fraud		
Question	2019-2020 Response	2020-2021 Response
	and contact details are also available on the Trust intranet pages.	2020/2021 specifically for Finance staff. A short summary of the Counter Fraud strategy and contact details are also available on the Trust intranet pages, and a newsletter from the Counter Fraud team is shared periodically with Trust staff.
3. What arrangements are in place to report fraud issues and risks to the Audit Committee?	<p>As noted in (2) above the Trust has in place a Counter Fraud Policy which provides direction and help to those officers and directors who find they have to deal with suspected cases of theft, fraud or corruption. It gives a framework for response, advice, and information on various aspects and implications of an investigation.</p> <p>This Policy is approved by the Audit Committee and managed by the Local Counter Fraud Specialist who also attends the Audit Committee and presents reports at each meeting.</p>	<p>As noted in (2) above the Trust has in place a Counter Fraud Policy which provides direction and help to those officers and directors who find they have to deal with suspected cases of theft, fraud or corruption. It gives a framework for response, advice, and information on various aspects and implications of an investigation.</p> <p>This Policy is approved by the Audit Committee and managed by the Local Counter Fraud Specialist who also attends the Audit Committee and presents progress and other relevant reports at each meeting, including an annual plan and annual report.</p>

Enquiries of management - in relation to fraud		
Question	2019-2020 Response	2020-2021 Response
4. How has management communicated expectations of ethical governance and standards of conduct and behaviour to all relevant parties, and when?	<p>The Standards of Behaviour Framework Policy outlines how the Trust is committed to ensuring that its employees and Independent Members practice the highest standards of conduct and behaviour. This policy sets out those expectations and provides supporting guidance so that all employees and Independent Members are supported in delivering those requirements.</p> <p>There is also a dedicated webpage supporting this policy including Frequently Asked Questions, guidance documents, and contact details for support on the Trust's intranet pages.</p> <p>As stated in (2) above it is a requirement that annual declaration of interests are obtained from specific groups of employees and Independent Members, and this is completed in March each year.</p> <p>Annual Performance Appraisals and Development Reviews undertaken support and reinforce the code of conduct and performance expected from Trust employees.</p>	<p>The Standards of Behaviour Framework Policy outlines how the Trust is committed to ensuring that its employees and Independent Members practice the highest standards of conduct and behaviour. This policy sets out those expectations and provides supporting guidance so that all employees and Independent Members are supported in delivering those requirements.</p> <p>There is also a dedicated webpage supporting this policy including Frequently Asked Questions, guidance documents, and contact details for support on the Trust's intranet pages.</p> <p>As stated in (2) above it is a requirement that annual declaration of interests are obtained from specific groups of employees and Independent Members, and this is completed in March each year.</p> <p>Annual Performance Appraisals and Development Reviews undertaken support and reinforce the code of conduct and performance expected from Trust employees.</p>

Enquiries of management - in relation to fraud		
Question	2019-2020 Response	2020-2021 Response
5. Are you aware of any instances of actual, suspected or alleged fraud within the audited body since 1 April 2020?	Yes - as part of their meetings, the Audit Committee receives a Counter Fraud Progress Report which includes relevant reference to any new cases, significant changes with ongoing investigations, together with outcomes from cases that are already in the public domain.	Yes - as part of their meetings, the Audit Committee receives a Counter Fraud Progress Report which includes relevant reference to any new cases, significant changes with ongoing investigations, together with outcomes from cases that are already in the public domain.
6. How does the Board, exercise oversight of management's processes for identifying and responding to the risks of fraud within the audited body and the internal control that management has established to mitigate those risks?	<p>The Audit Committee are charged with reviewing and approving key policies in this area, such as:</p> <ul style="list-style-type: none"> • Counter Fraud Policy • Standards or Behaviour Framework Policy <p>And as such receive updates and reports relating to this area of activity at each meeting, for example, declaration of interest report, any incidents of fraudulent activity etc.</p> <p>There is also a full Internal Audit programme reviewed at each Audit Committee meeting with a highlight report presented to each main Board meeting.</p>	<p>The Audit Committee are charged with reviewing and approving key policies in this area, such as:</p> <ul style="list-style-type: none"> • Counter Fraud Policy • Standards or Behaviour Framework Policy <p>And as such receive updates and reports relating to this area of activity at each meeting, for example, declaration of interest report, any incidents of fraudulent activity etc.</p> <p>There is also a full Internal Audit programme reviewed at each Audit Committee meeting with a highlight report presented to each main Board meeting.</p>

Enquiries of management - in relation to fraud		
Question	2019-2020 Response	2020-2021 Response
	<p>Incidents of fraud are reported to the Audit Committee by the Local Counter Fraud Specialist.</p> <p>An overview of any fraudulent activity is provided in the Head of Internal Audit's Opinion, received via a formal report on annual basis by the Audit Committee.</p> <p>Any irregularities or reports outlining that fraudulent activity may have been detected or that there is a potential risk to the organisation would be reported to the Committee throughout the year. The Committee would be provided with investigation reports, explanations and assurances to the action taken and control measures in place. If appropriate risks will be added to the Trust risk register.</p>	<p>Incidents of fraud are reported to the Audit Committee by the Local Counter Fraud Specialist.</p> <p>An overview of any fraudulent activity is provided in the Head of Internal Audit's Opinion, received via a formal report on annual basis by the Audit Committee.</p> <p>Any irregularities or reports outlining that fraudulent activity may have been detected or that there is a potential risk to the organisation would be reported to the Committee throughout the year. The Committee would be provided with investigation reports, explanations and assurances to the action taken and control measures in place. If appropriate risks will be added to the Trust risk register.</p>
7. Are you aware of any instances of actual, suspected or alleged fraud with the audited body since 1 April 2020?	Yes - as part of their meetings, the Audit Committee receives a Counter Fraud Progress Report which includes relevant reference to any new cases, significant changes with ongoing investigations, together with outcomes from cases that are already in the public domain.	Yes - as part of their meetings, the Audit Committee receives a Counter Fraud Progress Report which includes relevant reference to any new cases, significant changes with ongoing investigations, together with outcomes from cases that are already in the public domain.

Appendix 2

Matters in relation to laws and regulations

International Standard for Auditing (UK and Ireland) 250 covers auditors' responsibilities to consider the impact of laws and regulations in an audit of financial statements.

Management, with the oversight of those charged with governance (the Board), is responsible for ensuring that Trust's operations are conducted in accordance with laws and regulations, including compliance with those that determine the reported amounts and disclosures in the financial statements.

As external auditors, we are responsible for obtaining reasonable assurance that the financial statements are free from material misstatement due to fraud or error, taking into account the appropriate legal and regulatory framework. The ISA distinguishes two different categories of laws and regulations:

- laws and regulations that have a direct effect on determining material amounts and disclosures in the financial statements;
- other laws and regulations where compliance may be fundamental to the continuance of operations, or to avoid material penalties.

What are we required to do?

As part of our risk assessment procedures we are required to make inquiries of management and the Board as to whether the Trust is in compliance with relevant laws and regulations. Where we become aware of information of non-compliance or suspected non-compliance, we need to gain an understanding of the non-compliance and the possible effect on the financial statements.

Enquiries of management – in relation to laws and regulations		
Question	2019-2020 Response	2020-2021 Response
1. How have you gained assurance that all relevant laws and regulations have been complied with?	<p>Employees and Senior Officers within the Finance Function are professionally qualified and experienced and are required as part of their role within the Trust to ensure that they remain aware of any legislative or regulatory changes.</p> <p>All Wales groups such as the Directors of Finance Forum, Deputy Directors of Finance Forum, and the All Wales Technical Accounting Group help facilitate this shared learning.</p> <p>Cyclical audits on systems and processes applied in the Trust are reviewed in light of expected current practice and would highlight any breaches or compliance issues in respect of current legislation and/or regulation.</p> <p>Also, the Trust compiles a Legislative & Regulatory Compliance Register which is presented to the Audit Committee on a quarterly basis. The purpose of the register is to ensure the Trust has a comprehensive and up-to-date list of the legislation that applies to it. It is also a mechanism which</p>	<p>Employees and Senior Officers within the Finance Function are professionally qualified and experienced and are required as part of their role within the Trust to ensure that they remain aware of any legislative or regulatory changes.</p> <p>All Wales groups such as the Directors of Finance Forum, Deputy Directors of Finance Forum, and the All Wales Technical Accounting Group help facilitate this shared learning.</p> <p>Cyclical audits on systems and processes applied in the Trust are reviewed in light of expected current practice and would highlight any breaches or compliance issues in respect of current legislation and/or regulation.</p> <p>Also, the Trust compiles a Legislative & Regulatory Compliance Register which is presented to the Audit Committee on a quarterly basis. The purpose of the register is to ensure the Trust has a comprehensive and up-to-date list of the legislation that applies to it. It is also a mechanism which</p>

Enquiries of management – in relation to laws and regulations		
Question	2019-2020 Response	2020-2021 Response
	demonstrates that the Trust can ensure that by regular updating and monitoring of the register there is a process in place that ensures compliance with legislation is being managed effectively.	demonstrates that the Trust can ensure that by regular updating and monitoring of the register there is a process in place that ensures compliance with legislation is being managed effectively.
2. Have there been any instances of non-compliance or suspected non-compliance with relevant laws and regulations since 1 April 2020, or earlier with an ongoing impact on the 2020-21 financial statements?	<p>HMRC commenced a review of the Trust's treatment of VAT and employment taxes during 2017-2018. Following HMRC's review of Trust records, there was an assessment in June 2019 of unpaid VAT and default interest. Both have been paid to HMRC and are recorded in the 2019/2020 financial statements.</p> <p>A further review commenced in 2019 and indicates there may be a small number of instances of non-compliance identified in another area. Where appropriate, provision has been made in the 2019/2020 financial statements to recognise this potential liability.</p>	<p>HMRC commenced a review of the Trust's treatment of VAT and employment taxes during 2017-2018. Following HMRC's review of Trust records, there was an assessment in June 2019 of unpaid VAT and default interest. Both have been paid to HMRC and were recorded in the 2019/2020 financial statements.</p> <p>A further review commenced in 2019 and indicated there may be a small number of instances of non-compliance identified in another area. Where appropriate, provision was made in the 2019-2020 financial statements to recognise this potential liability. A response is still awaited from HMRC and it is assumed that this</p>

Enquiries of management – in relation to laws and regulations		
Question	2019-2020 Response	2020-2021 Response
		<p>has been delayed due to the COVID-19 pandemic. The provision will therefore be reviewed and recognised within the 2020/2021 financial statements as appropriate.</p> <p>During the final quarter of 2020/2021, liaison with VAT advisors has identified potential non-compliance in another area. Appropriate provision will be made within the 2020/21 financial statements.</p>
3. Are there any potential litigations or claims that would affect the financial statements?	<p>The Director of Finance and the Head of Financial Operations monitor and are not aware of any litigation claims against the Trust which could impact the financial statements.</p> <p>Losses and Redress reports detailing claims are received at each meeting of the Audit Committee.</p> <p>In respect of civil litigation claims against the Trust, quantum values of each case are provided and based on the probability of success, the Trust accrues the relevant cost against each</p>	<p>The Director of Finance and the Head of Financial Operations monitor and are not aware of any litigation claims against the Trust which could impact the financial statements.</p> <p>Losses and Redress reports detailing claims are received at each meeting of the Audit Committee.</p> <p>In respect of civil litigation claims against the Trust, quantum values of each case are provided and based on the probability of success, the Trust accrues the relevant cost against each</p>

Enquiries of management – in relation to laws and regulations		
Question	2019-2020 Response	2020-2021 Response
	case as appropriate. This ensures that the quantum value assigned to each case is monitored and reported within the financial accounts.	case as appropriate. This ensures that the quantum value assigned to each case is monitored and reported within the financial accounts.
4. Have there been any reports from other regulatory bodies, such as HM Revenues and Customs which indicate non-compliance?	HMRC commenced a review of the Trust's treatment of VAT and employment taxes during 2017-18. Following HMRC's review of Trust records, there was an assessment in June 2019 of unpaid VAT. There have not been any reports from other regulatory bodies indicating non-compliance.	HMRC commenced a review of the Trust's treatment of VAT and employment taxes during 2017-18. This review is ongoing, and, as outlined in the response to question 2 above, it is possible that there may be a small number of instances of non-compliance identified as this review continues. There have not been any reports from other regulatory bodies indicating non-compliance.

Enquiries of those charged with governance – in relation to laws and regulations

Question	2019-2020 Response	2020-2021 Response
<p>1. How does the Board, in its role as those charged with governance, obtain assurance that all relevant laws and regulations have been complied with?</p>	<p>Audit reports provide the Audit Committee with assurance as to whether appropriate control measures are in place and whether the Trust is compliant with current standard practice.</p> <p>The Audit Committee provide a highlight report to each Trust Board meeting to provide assurance and inform them of any issues.</p>	<p>Audit reports provide the Audit Committee with assurance as to whether appropriate control measures are in place and whether the Trust is compliant with current standard practice.</p> <p>The Audit Committee provide a highlight report to each Trust Board meeting to provide assurance and inform them of any issues.</p>
<p>2. Are you aware of any instances of non-compliance with relevant laws and regulations?</p>	<p>The Board is not aware of any non-compliance issues in relation to relevant laws and regulations. Any such incidents would be reported to the Board via the Audit Committee if they occurred as happens in instances of non-compliance with for example, Standing Orders or Standing Financial Instructions.</p>	<p>The Board is not aware of any non-compliance issues in relation to relevant laws and regulations. Any such incidents would be reported to the Board via the Audit Committee if they occurred as happens in instances of non-compliance with for example, Standing Orders or Standing Financial Instructions.</p>

Appendix 3

Matters in relation to related parties

International Standard for Auditing (UK and Ireland) 550 covers auditors responsibilities relating to related party relationships and transactions.

The nature of related party relationships and transactions may, in some circumstances, give rise to higher risks of material misstatement of the financial statements than transactions with unrelated parties.

Because related parties are not independent of each other, many financial reporting frameworks establish specific accounting and disclosure requirements for related party relationships, transactions and balances to enable users of the financial statements to understand their nature and actual or potential effects on the financial statements. An understanding of the entity's related party relationships and transactions is relevant to the auditor's evaluation of whether one or more fraud risk factors are present as required by ISA (UK and Ireland) 240, because fraud may be more easily committed through related parties.

What are we required to do?

As part of our risk assessment procedures, we are required to perform audit procedures to identify, assess and respond to the risks of material misstatement arising from the entity's failure to appropriately account for or disclose related party relationships, transactions or balances in accordance with the requirements of the framework.

Enquiries of management – in relation to related parties		
Question	2019-2020 Response	2020-2021 Response
<p>1. Confirm that you have disclosed to the auditor:</p> <ul style="list-style-type: none"> the identity of any related parties, including changes from the prior period; the nature of the relationships with these related parties; details of any transactions with these related parties entered into during the period, including the type and purpose of the transactions. 	<p>The Statement of Accounts discloses the identity of related parties and is compliant with the requirements of accounting legislation.</p>	<p>The Statement of Accounts discloses the identity of related parties and is compliant with the requirements of accounting legislation.</p>
<p>2. What controls are in place to identify, authorise, approve, account for and disclose related party transactions and relationships?</p>	<p>Statements are included in the Statement of Accounts acknowledging the relationships. These statements are produced by experienced and qualified officers with an in-depth knowledge of Trust operations.</p> <p>Audit reviews are undertaken to ensure appropriate control measures are in place.</p> <p>Annual declaration of interests are obtained from specific groups of Employees and Independent Members.</p>	<p>Statements are included in the Statement of Accounts acknowledging the relationships. These statements are produced by experienced and qualified officers with an in-depth knowledge of Trust operations.</p> <p>Audit reviews are undertaken to ensure appropriate control measures are in place.</p> <p>Annual declaration of interests are obtained from specific groups of Employees and Independent Members.</p>

Enquiries of management – in relation to related parties		
Question	2019-2020 Response	2020-2021 Response
	Access is provided to the Trust to examine Welsh Ministers interest delegations.	Access is provided to the Trust to examine Welsh Ministers interest delegations.

Enquiries of the those charged with governance – in relation to related parties		
Question	2019-2020 Response	2020-2021 Response
1. How does the Board, in its role as those charged with governance, exercise oversight of management's processes to identify, authorise, approve, account for and disclose related party transactions and relationships?	<p>The Audit Committee receives the Statement of Accounts and receives assurance from Senior Officers and through audit mechanisms that they are accurate.</p> <p>The Audit Committee are able to scrutinise, challenge and query any aspect of the accounts and request further supporting information or initiate any additional work to assure themselves this area is addressed.</p> <p>Any relevant issues are subsequently reported to the Board.</p>	<p>The Audit Committee receives the Statement of Accounts and receives assurance from Senior Officers and through audit mechanisms that they are accurate.</p> <p>The Audit Committee are able to scrutinise, challenge and query any aspect of the accounts and request further supporting information or initiate any additional work to assure themselves this area is addressed.</p> <p>Any relevant issues are subsequently reported to the Board.</p>

Governance Statements: good practice observations from our audits

Introduced in 2011-12, Governance Statements are important public accountability documents. Departments, their executive agencies and arm's-length bodies must provide a Governance Statement in their annual report and accounts.

Governance Statements replace and build on the old Statement on Internal Control (SIC). Aiming to support better governance and drive more consistent, coherent and transparent reporting, the Governance Statement, for the first time, brings together in one place in the annual report and accounts all disclosures relating to governance, risk and control.

To address “the fungus of boiler-plate”, reporting has moved away from the template-based approach adopted for SICs. *Managing Public Money* encourages organisations to tailor their reporting to better reflect their own circumstances, whilst specifying “essential features” that should always be reported on (Box 1).

In 2012, we considered over 350 Governance Statements as part of our audits of government's accounts. Here we highlight the key messages and good practice we identified from our work. Organisations need to build on the foundations laid in year-one so that the intended benefits of Governance Statement reporting can be more fully and consistently realised. Organisations can use our good practice observations and “challenge questions” (Box 2) to help support better governance and drive more transparent reporting.

Key Messages From Our Work

Organisations materially complied with HM Treasury's requirements and the information presented was consistent with our wider knowledge of organisations.

There is a sense of evolution from the “old” SICs, but some organisations have made more progress than others. While some have reviewed and strengthened their approach to governance reporting, others have, essentially, re-badged the prior year SIC and “bolted-on” the new requirements.

Under *Clear line of sight*, group Governance Statements are helping to present a clearer picture of risk across government. Some organisations have identified a need to strengthen their group-risk escalation and assurance processes so that they can be confident that they are sighted on the right risks at the right time and can report transparently on them.

There was wide variation in the robustness of evidence underpinning Governance Statements and in how comprehensive and open the disclosures were about each “essential feature”. Statements were often process-heavy, providing less insight into outcomes achieved or the risks faced.

Organisations have adopted a range of approaches to Governance Statement preparation and reporting. Organisations generally welcomed the more flexible reporting approach, but some expressed uncertainty as to whether they had “got it right”.

Corporate Governance Code Compliance

Departments disclosed few departures from *Corporate governance in central government departments: Code of good practice* (the Code). Disclosed departures commonly related to Nominations and Governance Committee arrangements and board composition.

Some non-departmental bodies were unsure how the Code applied to them. A statement confirming compliance to the extent that it is relevant and meaningful should be made.

Better Governance Statements Are:

- oo concise and transparent. They help the reader “see the wood for the trees” by sign-posting key messages and avoiding long-winded process descriptions;
- oo comprehensive, tailored to organisational circumstances, focussed on outcomes – not on process, and include open and honest risk disclosures;
- oo drafted by a suitably senior member of staff with a strategic understanding of the organisation;
- oo underpinned by robust evidence and assurance and not treated as a one-off annual exercise;
- oo driven by the early engagement of the Accounting Officer and Board and subject to robust scrutiny and challenge by the Audit Committee and Non-Executive Members, with ample opportunity provided for debate.

Box 1

Essential features of the Governance Statement

- 00 the governance framework of the organisation, including information about the Board's committee structure, its attendance records, and the coverage of its work;
- 00 the Board's performance, including its assessment of its own effectiveness;
- 00 highlights of Board committee reports, notably by the Audit and Nomination committees;
- 00 an account of corporate governance, including the Board's assessment of its compliance with the *Corporate governance in central government departments: Code of good practice*, with explanations of any departures;
- 00 information about the quality of the data used by the Board, and why the Board finds it acceptable;
- 00 where relevant (for certain central government departments), an account of how resources made available to certain locally governed organisations are distributed and how the department gains assurance about their satisfactory use; and
- 00 a risk assessment, including the organisation's risk profile, and how it is managed, including, subject to a public interest test:
 - 00 any newly identified risk;
 - 00 a record of any ministerial directions given; and,
 - 00 a summary of any significant lapses of protective security (e.g. data losses).

Box 2

Challenge Questions

The Accounting Officer, Board and Audit Committee can use these questions to help inform their review of the Governance Statement (the Statement).

- 00 How do we have assurance that the process for producing the Statement is adequate, covers all areas of our operations and has been followed?
- 00 To what extent does the Statement comply with HM Treasury's requirements and include all the "essential features" (Box 1)?
- 00 How clearly does the Statement give an understanding of the control structure and stewardship of our organisation, and a sense of its risks, vulnerabilities and resilience to challenges?
- 00 What evidence have management presented to support the Statement and are we satisfied it is robust?
- 00 How do we have assurance that all relevant matters are disclosed, including material issues from arm's-length bodies? How have any governance matters we have raised been dealt with?
- 00 How has compliance with *the Code* been assessed and have all departures been explained and disclosed? What evidence underpins this assessment and are we satisfied it is robust?
- 00 What involvement has internal audit or any other internal oversight body had in reviewing and/or challenging assurance statements and other evidence provided by management?
- 00 How have we assured ourselves that management has responded appropriately to all observations on the draft Statement made by the internal and external auditors?

Other NAO Guidance

We have produced a number of publications to help support those involved in the preparation or scrutiny of Governance Statements.

Fact Sheet: Governance Statements

www.nao.org.uk/governance-statements

Corporate governance in central government departments: Code of good practice 2011: Compliance Checklist

www.nao.org.uk/support_to_boards

The messages in our previous guides to the Statement on Internal Control also remain appropriate to the arrangements and processes supporting the production of the Governance Statement.

A Good Practice Guide to the Statement on Internal Control

www.nao.org.uk/governance-statements

Statement on Internal Control: A guide for Audit Committees

www.nao.org.uk/governance-statements

Other Useful Guidance

Managing Public Money (HM Treasury), Annex 3.1, The Governance Statement: www.hm-treasury.gov.uk/d/mpm_annex3.1.pdf

Corporate governance in central government departments: Code of good practice 2011: www.hm-treasury.gov.uk/d/corporate_governance_good_practice_july2011.pdf

Assurance Frameworks: www.hm-treasury.gov.uk/d/psr_governance_risk_assurance_frameworks_191212.pdf

This fact sheet is available to download at www.nao.org.uk/governance-statements

For further information contact your usual NAO team or the NAO's Financial Management and Reporting team: Z5-FMGP@nao.gsi.gov.uk

TRUST BOARD

AUDIT WALES – AUDIT OF ACCOUNTS (ISA 260) REPORT

DATE OF MEETING	08/06/2021
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PUBLIC OR PRIVATE REPORT	Public
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IF PRIVATE PLEASE INDICATE REASON	Not Applicable - Public Report
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PREPARED BY	Claire Bowden, Head of Financial Operations
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PRESENTED BY	Steve Wyndham, Financial Audit Manager, Audit Wales
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EXECUTIVE SPONSOR APPROVED	Mark Osland, Executive Director of Finance
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REPORT PURPOSE	FOR NOTING
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COMMITTEE/GROUP WHO HAVE RECEIVED OR CONSIDERED THIS PAPER PRIOR TO THIS MEETING

COMMITTEE OR GROUP	DATE	OUTCOME
Audit Committee	08/06/2021	Pending

ACRONYMS

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1. SITUATION/BACKGROUND

- 1.1 Audit Wales' Audit of Accounts Report at June 2021 is attached for the Board's information.

2. ASSESSMENT / SUMMARY OF MATTERS FOR CONSIDERATION

- 2.1 The report has been prepared as part of Audit Wales work undertaken in accordance with statutory functions.

3. IMPACT ASSESSMENT

QUALITY AND SAFETY IMPLICATIONS/IMPACT	There are no specific quality and safety implications related to the activity outlined in this report.
RELATED HEALTHCARE STANDARD	Governance, Leadership and Accountability
	If more than one Healthcare Standard applies please list below:
EQUALITY IMPACT ASSESSMENT COMPLETED	Not required
LEGAL IMPLICATIONS / IMPACT	There are no specific legal implications related to the activity outlined in this report.
FINANCIAL IMPLICATIONS / IMPACT	There is no direct impact on resources as a result of the activity outlined in this report.

4. RECOMMENDATION

- 4.1 The Board are asked to review and note the report.

Audit of Accounts Report

Velindre University NHS Trust

Audit year: 2020-21

Date issued: June 2021

Document reference: 2439A2021-22

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

In the event of receiving a request for information to which this document may be relevant, attention is drawn to the Code of Practice issued under section 45 of the Freedom of Information Act 2000.

The section 45 code sets out the practice in the handling of requests that is expected of public authorities, including consultation with relevant third parties. In relation to this document, the Auditor General for Wales and the Wales Audit Office are relevant third parties. Any enquiries regarding disclosure or re-use of this document should be sent to the Wales Audit Office at infoofficer@audit.wales.

We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

Contents

We intend to issue a qualified audit report on your 2020-21 financial statements with an Emphasis of Matter paragraph drawing attention to a disclosure note in your accounts and a substantive report providing further detail on the matter. There are some issues to report to you prior to their approval.

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Audit of Accounts Report

Introduction

- 1 We summarise the main findings from our audit of your 2020-21 financial statements in this report.
- 2 We have already discussed these issues with the Executive Director of Finance and his team.
- 3 Auditors can never give complete assurance that accounts are correctly stated. Instead, we work to a level of 'materiality'. This level of materiality is set to try to identify and correct misstatements that might otherwise cause a user of the accounts into being misled.
- 4 We set this level at £8.5m for this year's audit.
- 5 There are some areas of the accounts that may be of more importance to the reader and we have set a lower materiality level for these, as follows:
 - Remuneration report / senior pay disclosure - £5,000
 - Related parties - £5,000 for individuals, £25,000 for companies and other bodies
- 6 We have now substantially completed this year's audit although at the time of issuing this report we are seeking some additional documentary evidence from the Trust to support some areas of our audit work. We will provide an update on this to the Audit Committee on 8 June.
- 7 In our professional view, we have complied with the ethical standards that apply to our work; remain independent of yourselves; and our objectivity has not been compromised in any way. There are no relationships between ourselves and yourselves that we believe could undermine our objectivity and independence.

Impact of COVID-19 on this Year's Audit

- 8 The COVID-19 pandemic continues to have a significant impact on all aspects of our society and continues to do so. You are required by law to prepare accounts and it is of considerable testament to the commitment of your accounts team that you have succeeded in doing so this year in the face of the challenges posed by this pandemic. We are extremely grateful to the professionalism of the team in supporting us to complete our audit in such difficult circumstances.
- 9 The pandemic has unsurprisingly affected our audit and we summarise in **Exhibit 1** the main impacts. Other than where we specifically make recommendations, the detail in **Exhibit 1** is provided for information purposes only to help you understand the impact of the COVID-19 pandemic on this year's audit process.

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

Timetable	<ul style="list-style-type: none">• We received the draft accounts on 30 April 2021.• The deadline for submitting your audited accounts to Welsh Government is 11 June 2021, two and a half weeks earlier than last year.• We expect the Auditor General to certify his audit report on 15 June 2021 and for your accounts to be laid before the Senedd, alongside all of the other accounts of NHS Wales, on 16 June 2021.
Electronic signatures	As a result of the pandemic the use of electronic signatures are permissible for both the Trust and Audit Wales and will be used this year.
Audit evidence	<p>Our audit of the financial statements was undertaken remotely. Trust officers effectively supported us in this by continuing to provide us with appropriate and timely information to inform our audit. Specifically:</p> <ul style="list-style-type: none">• officers provided electronic working papers in accordance with our agreed Audit Deliverables Report;• officers provided audit evidence to the audit team via e-mail or a shared folder accessible via the Trust's shared server;• the audit team had remote read only access to the Trust's Oracle ledger which enabled the team to query the ledger and hence reduce the burden on officers to provide this information; and• officers were available by video conferencing for discussions, and for the sharing of on-screen information/evidence.

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

Proposed Audit Opinion

- 11 We intend to issue a qualified audit opinion on this year's accounts once you have provided us with a Letter of Representation, containing certain confirmations we are required to obtain from you under auditing standards, based on that set out in **Appendix 1**.
- 12 We issue a 'qualified' audit opinion where we have material concerns about some aspects of your accounts; otherwise we issue an unqualified opinion.

- 13 Our intention is to issue a **qualified 'limitation of scope' opinion** on the 2020-21 financial statements as a consequence of being unable to obtain sufficient appropriate audit evidence to support the Trust's inventory balance of £95.564 million as at 31 March 2021.
- 14 As a result of Covid-19 restrictions we were unable to observe and reperform parts of the Trust's count of its inventories. We have been unable to obtain the required audit assurance by alternative means because, for a material inventory balance, physical stocktake attendance by auditors is mandated by professional Auditing Standard ISA501.
- 15 It is therefore important to emphasise that this qualification is not due to any shortcomings in the Trust's systems or actions, but because of the impact of Covid-19 on one of our key audit procedures. We are not reporting that we consider the inventory balance to be materially misstated, but rather that we do not know whether it is materially true and fair.
- 16 Our proposed audit report is set out in **Appendix 2** which also includes an emphasis of matter, drawing the reader's attention to Note 24 of the accounts. We describe this further in Exhibit 2 below.

Significant Issues arising from the Audit

Uncorrected misstatements

- 17 There are no misstatements identified in the accounts, which remain uncorrected.
- 18 There is however a matter that we are required to bring to your attention. Appendix 3 summarises the amendments that have been made to the Trust's accounts as a result of our audit. One of those amendments is a £3.6m reduction to the Provisions balance, relating to Welsh Risk Pool Structured Settlement cases. This adjustment was required as unimpaired life expectancies were used to calculate the provisions for three cases instead of the shortened expected lives as advised by solicitors within NWSSP.
- 19 In addition to this adjustment, uncertainty exists in relation to a further seven cases where there was either no or insubstantial evidence to support the unimpaired life expectancies used to support the aggregate provision value of £20.5m concerning these cases. This absence of documentary evidence occurred as a result of the age of these cases - as they were all in excess of 10 years old the supporting information had been disposed of. We have undertaken further work and are satisfied that any potential over-statement of the provision value is not material to our opinion.

Corrected misstatements

- 20 There were some misstatements in the accounts that have now been corrected by management. These are summarised, for information, in **Appendix 3**.

Other Significant Issues arising from the Audit

- 21 In the course of the audit, we consider a number of matters relating to the accounts and report any significant issues arising to you. There was one issue arising regarding Clinicians' Pension Tax Liabilities, the implications of which are summarised in **Exhibit 2**:

Exhibit 2 – significant issues arising from the audit

Emphasis of matter – Clinicians' Pension Tax Liabilities	Within the Audit Report we draw attention to Note 24 of the financial statements, which describes the impact of a Ministerial Direction issued on 18 December 2019 to the Permanent Secretary of the Welsh Government. The opinion is not modified in respect of this matter.
Substantive report - Clinicians' Pension Tax Liabilities	<p>All NHS bodies will be held harmless for the impact of the Ministerial Direction, however the Auditor General's opinion is that any transactions included in the Trust's financial statements to recognise this liability would be 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.</p> <p>Although this is not a new issue the Auditor General has this year decided to place a substantive report on your accounts (and those of other NHS bodies) setting out the detail.</p>

Recommendations

- 22 We intend to report a number of recommendations in a separate report to the Trust which will be presented to the Audit Committee scheduled for the Autumn 2021.

Appendix 1

Final Letter of Representation

Audited body's letterhead

Auditor General for Wales
Wales Audit Office
24 Cathedral Road
Cardiff
CF11 9LJ

8 June 2021

Representations regarding the 2020-21 financial statements

This letter is provided in connection with your audit of the financial statements (including that part of the Remuneration Report that is subject to audit) of Velindre University NHS Trust for the year ended 31 March 2021 for the purpose of expressing an opinion on their truth and fairness, their proper preparation and the regularity of income and expenditure.

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

Management representations

Responsibilities

As Chief Executive and Accountable Officer I have fulfilled my responsibility for:

- Preparing the financial statements in accordance with legislative requirements and the Treasury's Financial Reporting Manual. In preparing the financial statements, I am required to:
 - observe the accounts directions issued by Welsh Ministers, including the relevant accounting and disclosure requirements and apply appropriate accounting policies on a consistent basis;
 - make judgements and estimates on a reasonable basis;
 - state whether applicable accounting standards have been followed and disclosed and explain any material departures from them; and
 - prepare them on a going concern basis on the presumption that the services of Velindre University NHS Trust will continue in operation.
- Ensuring the regularity of any expenditure and other transactions incurred.

- The design, implementation and maintenance of internal control to prevent and detect error.

Information provided

We have provided you with:

- Full access to:
 - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;
 - additional information that you have requested from us for the purpose of the audit; and
 - unrestricted access to staff from whom you determined it necessary to obtain audit evidence.
- The results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- Our knowledge of fraud or suspected fraud that we are aware of and that affects Velindre University NHS Trust and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements.
- Our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others.
- Our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
- The identity of all related parties and all the related party relationships and transactions of which we are aware.
- Our knowledge of all possible and actual instances of irregular transactions.

Financial statement representations

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

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

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

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

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

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

Representations by Velindre University NHS Trust

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

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by the Board on 8 June 2021.

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

Signed by:

Chief Executive:

Date:

Signed by:

Trust Chair:

Date:

Appendix 2

Proposed Audit Report

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 Velindre University NHS Trust and its group for the year ended 31 March 2021 under Section 61 of the Public Audit (Wales) Act 2004. These comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Cash Flow Statement and the Consolidated 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, except for the possible effects of the matters described in the 'Basis for qualified opinion' section of my report, the financial statements:

- give a true and fair view of the state of affairs of Velindre University NHS Trust and its group as at 31 March 2021 and of its surplus for the year then ended;
- have been properly prepared in accordance with 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.

Basis for qualified opinion

Note 16.1 of the financial statements discloses an inventory balance of £95.564 million as at 31 March 2021. Due to the impact of the COVID-19 pandemic and the statutory lockdown arrangements that took effect from 23 March 2020, I was unable to observe and reperform parts of the Trust's count of its inventories on 31 March 2021.

As I have been unable to obtain the required audit assurance by alternative means, I am therefore unable to determine whether the Trust's reported year-end inventory balance of £95.564 million is materially true and fair.

Opinion on regularity

In my opinion, 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 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 and its group 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.

Emphasis of Matter – Clinicians' pension tax liabilities

I draw attention to Note 24 of the financial statements, which describes the impact of a Ministerial Direction issued on 18 December 2019 to the Permanent Secretary of the Welsh Government. My opinion is not modified in respect of this matter.

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 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 for the financial year for which the financial statements are prepared is consistent with the financial statements and the Performance Report has 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 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 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 set out on pages ... and ..., 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, internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to Velindre NHS University 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 the following areas: revenue recognition and the posting of unusual journals.
- Obtaining an understanding of Velindre NHS University Trust's framework of authority as well as other legal and regulatory frameworks that the Velindre NHS University 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 Velindre NHS University 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 Velindre NHS University 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.

Please see my Report on pages x to y.

Adrian Crompton
Auditor General for Wales
15 June 2021

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 Velindre NHS Trust's (the Trust's) financial statements. I am reporting on these financial statements for the year ended 31 March 2021 to draw attention to one key matter for my audit. This is the implications of the ministerial direction on senior clinicians' pensions. I have not qualified my 'true and fair' opinion in respect of this matter.

Ministerial direction on senior clinicians' pensions

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, then 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 had 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 currently has insufficient information 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 no expenditure is recognised in the financial statements but as required the Trust has disclosed a contingent liability in note 24 of its financial statements.

All NHS bodies will be held harmless for the impact of the Ministerial Direction, however in my opinion any transactions included in the Trust's financial statements to recognise this liability would be 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.

I have not modified my regularity opinion in this respect this year because as set out above, no expenditure has been recognised in the year ended 31 March 2021. I have however placed an Emphasis of Matter paragraph in my audit report to highlight this issue and, have prepared this report to bring the arrangement to the attention of the Senedd.

Adrian Crompton

Auditor General for Wales

15 June 2021

Appendix 3

Summary of Corrections Made

Some adjustments have been made to the Financial Statements as a result of our audit. These have been corrected by management. A summary of the most significant corrections made are summarised below.

Exhibit 2: summary of corrections made

Value of correction	Nature of correction
£10.5m £nil impact on disclosed surplus	Trade and other receivables (Note 17) £10.5m had been included within the draft accounts to recognise a prepayment for PPE. On 23 April 2021, having not received the PPE, NWSSP cancelled the order. As the value of the transaction is material to our opinion, this should be treated as an adjusting Post Balance Sheet Event. As a result, the entire value of the prepayment has been reclassified to the "Other Debtors" sub balance within Note 17.
£3.6m £nil impact on disclosed surplus	Provisions (Note 23) We found that three Welsh Risk Pool Structured Settlement cases were calculated on an incorrect basis. Unimpaired life expectancies were used to calculate the provisions for these cases instead of the shortened expected lives as advised by the Trust's solicitors. The 'Provisions' and corresponding 'Trade and other Receivables' balances have been adjusted by this value.
£286,000 £nil impact on disclosed surplus	Welsh Risk Pool Account Changes The Trust's accounts have been amended to reflect the findings arising from the audits of the WRP returns of the various LHBs and Trusts: <ul style="list-style-type: none">• a decrease in provisions of £286k: and• a decrease in contingent liabilities of £14.057m
£788,000 £nil impact on disclosed surplus	Note 16.2 – Inventories recognised in expenses The "inventories recognised as an expense" disclosed within the note was understated by £788,000.

N/A	<p>Note 32 – Events after the Reporting Period</p> <p>The disclosure note has been amended to disclose:</p> <ul style="list-style-type: none"> the latest position concerning the supply of PPE and other equipment to India in regard to the response to the Covid-19 crisis; and NHS Wales Informatics Service (NWIS), which has been hosted by the Trust since 1 April 2010, ceased to be hosted by the Trust on 1st April 2021, and became a new Special Health Authority, Digital Health & Care Wales.
N/A	<p>Note 24 – Contingent Liabilities</p> <ul style="list-style-type: none"> The value of the Trust's contingent liabilities was under-disclosed by £400,000 as a number of NWSSP cases had been omitted; and Additional narrative has been included to describe the potential impact of a decision to fund NHS Clinicians' pension tax liabilities.
N/A	<p>Note 17 – Trade and other Receivables</p> <p>The Trust identified some classification errors between the sub-balances within the note which have been corrected. There has been no impact on the overall Receivables balance as a result of this.</p>
N/A	<p>Other Narrative Amendments</p> <p>A number of other narrative and disclosure adjustments have been made to the financial statements, including:</p> <ul style="list-style-type: none"> Note 5.1 (Operating Expenses) – the disclosure of the audit fee has been corrected to comply with the requirements of the Manual for Accounts; Accountability and Performance Report – some narrative amendments have been made to the content of the Reports; and Remuneration Report – the remuneration disclosed for one of the Executive Directors was found to be slightly overstated.

Velindre University NHS Trust

HEAD OF INTERNAL AUDIT OPINION & ANNUAL REPORT 2020/21

June 2021

NHS Wales Shared Services Partnership

Audit & Assurance Services

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Conformance with Internal Audit Standards

Audit Results Grouped by Assurance Domain

Performance Indicators

Audit Assurance Ratings

Responsibility Statement

Report status:

Final

Draft report issued:

27 May 2021

Final report issued:

2 June 2021

Author:

James Quance, Head of Internal Audit

Lead Executive:

Lauren Fear (Director of Corporate Governance)

Audit Committee:

June 2021

1. EXECUTIVE SUMMARY

1.1 Purpose of this Report


Velindre University NHS Trust's (the Trust) Board is collectively accountable for maintaining a sound system of internal control that supports the achievement of the organisation's objectives and is also responsible for putting in place arrangements for gaining assurance about the effectiveness of that overall system. A key element in that flow of assurance is the overall assurance opinion from the Head of Internal Audit.

This report sets out the Head of Internal Audit Opinion together with the summarised results of the internal audit work performed during the year. The report also includes a summary of audit performance and an assessment of conformance with the Public Sector Internal Audit Standards.

In part due to the continued impact of COVID-19, our audit programme has been subject to change during the year. In this report we have set out how the programme has changed and the impact of those changes on the Head of Internal Audit opinion.

1.2 Head of Internal Audit Opinion 2020/21

The purpose of the annual Head of Internal Audit opinion is to contribute to the assurances available to the Chief Executive as Accountable Officer and the Board which underpin the Board's own assessment of the effectiveness of the system of internal control. The approved Internal Audit plan is focused towards risk and therefore the Board will need to integrate these results with other sources of assurance when making a rounded assessment of control for the purposes of the Annual Governance Statement. The overall opinion for 2020/21 is that:

Reasonable assurance		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.
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1.3 Delivery of the Audit Plan

Due to the considerable impact of COVID-19 on the Trust, the internal audit plan has needed to be agile and responsive to ensure that key developing risks are covered. As a result of this approach, and with the support of officers and independent members across the Trust, the plan has been delivered substantially

in accordance with the agreed schedule and changes required during the year, as approved by the Audit Committee. In addition, regular audit progress reports have been submitted to the Audit Committee. Although changes have been made to the plan during the year, we can confirm that we have undertaken sufficient audit work during the year to be able to give an overall opinion in line with the requirements of the Public Sector Internal Audit Standards.

The Internal Audit Plan for 2020/21 year was initially presented to the Audit Committee in April 2020. This Annual Report and Opinion is primarily based on the delivery of that annual plan, including the subsequent updates made to the plan that are reported to the Audit Committee at each meeting.

There are, as in previous years, audits undertaken at NWSSP, NWIS (now Digital Health and Care Wales), WHSSC and EASC that support the overall opinion for NHS Wales health bodies (see Section 3).

Our External Quality Assessment (EQA), conducted by the Chartered Institute of Internal Auditors, and our Quality Assurance and Improvement Programme (QAIP) have both confirmed that our internal audit work 'generally conforms' to the requirements of the Public Sector Internal Audit Standards for 2020/21. For this year, our QAIP has considered specifically the impact that COVID-19 has had on our audit approach and programmes. We are able to state that our service 'conforms to the IIA's professional standards and to PSIAS.'

1.4 Summary of Audit Assignments

This report summarises the outcomes from our work undertaken in the year. In some cases, audit work from previous years may also be included and where this is the case, details are given. This report also references assurances received through the internal audit of control systems operated by other NHS Wales organisations (see Section 3).

The audit coverage in the plan agreed with management has been deliberately focused on key strategic and operational risk areas; the outcome of these audit reviews may therefore highlight control weaknesses that impact on the overall assurance opinion.

Overall, we can provide the following assurances to the Board that arrangements to secure governance, risk management and internal control are suitably designed and applied effectively in the areas in the table overleaf.

Where we have given either Limited or No Assurance, management are aware of the specific issues identified and have agreed action plans to improve control in these areas. These planned control improvements should be referenced in the Annual Governance Statement where it is appropriate to do so.

In addition, and in part reflecting the impact of COVID-19, we also undertook a number of advisory and non-opinion reviews to support our overall opinion.

Figure 1 Summary of Audit Results

Substantial Assurance	Reasonable Assurance
<ul style="list-style-type: none"> • Health and Care Standards • New Contracting Model • Nurse Staffing Levels Act • Radiotherapy Bookings • New Velindre Cancer Centre Development – Planning • New Velindre Cancer Centre Development – Governance and Financial Management • New Velindre Cancer Centre Development – Contract Arrangements/Project Agreement 	<ul style="list-style-type: none"> • Welsh Language Standards • Financial Systems • Annual Quality Statement • Velindre Cancer Centre Divisional Audit • Welsh Blood Service Divisional Audit • Environmental Sustainability Report • Workforce Planning Follow-up • Water Management • New Velindre Cancer Centre Development – Advisors
Limited Assurance	Advisory & Non-Opinion
<ul style="list-style-type: none"> • Workforce Planning 	<ul style="list-style-type: none"> • Governance Arrangements during the Covid-19 Pandemic • IM&T Control Risk Assessment
No Assurance	
N/A	

Please note that our overall opinion has also taken into account both the number and significance of any audits that have been deferred during the course of the year (see section 5.7) and also other information obtained during the year that we deem to be relevant to our work (see section 2.4.2).

2. HEAD OF INTERNAL AUDIT OPINION

2.1 Roles and Responsibilities

The Board is collectively accountable for maintaining a sound system of internal control that supports the achievement of the organisation's objectives and is responsible for putting in place arrangements for gaining assurance about the effectiveness of that overall system.

The Annual Governance Statement is a statement made by the Accountable Officer, on behalf of the Board, setting out:

- how the individual responsibilities of the Accountable Officer are discharged with regard to maintaining a sound system of internal control that supports the achievement of policies, aims and objectives;
- the purpose of the system of internal control, as evidenced by a description of the risk management and review processes, including compliance with the Health & Care Standards; and
- the conduct and results of the review of the effectiveness of the system of internal control including any disclosures of significant control failures, together with assurances that actions are or will be taken where appropriate to address issues arising.

The organisation's risk management process and system of assurance should bring together all of the evidence required to support the Annual Governance Statement.

In accordance with the Public Sector Internal Audit Standards (PSIAS), the Head of Internal Audit (HIA) is required to provide an annual opinion, based upon and limited to the work performed on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control. This is achieved through an audit plan that has been focussed on key strategic and operational risk areas and known improvement opportunities, agreed with executive management and approved by the Audit Committee, which should provide an appropriate level of assurance.

The opinion does not imply that Internal Audit has reviewed all risks and assurances relating to the organisation. The opinion is substantially derived from the conduct of risk-based audit work formulated around a selection of key organisational systems and risks. As such, it is a key component that the Board takes into account but is not intended to provide a comprehensive view.

The Board, through the Audit Committee, will need to consider the Head of Internal Audit opinion together with assurances from other sources including reports issued by other review bodies, assurances given by management and other relevant information when forming a rounded picture on governance, risk management and control for completing its Governance Statement.

2.2 Purpose of the Head of Internal Audit Opinion

The purpose of the annual Head of Internal Audit opinion is to contribute to the assurances available to the Accountable Officer and the Board of the Trust which underpin the Board's own assessment of the effectiveness of the organisation's system of internal control.

This opinion will in turn assist the Board in the completion of its Annual Governance Statement, and may also be taken into account by regulators including Healthcare Inspectorate Wales in assessing compliance with the Health & Care Standards in Wales, and by Audit Wales in the context of both their external audit and performance reviews.

The overall opinion by the Head of Internal Audit on governance, risk management and control is a function of the 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.

2.3 Assurance Rating System for the Head of Internal Audit Opinion

For 2020/21, the assurance rating framework for expressing the overall Head of Internal Audit annual opinion that was agreed in 2013/14 has been amended to

formally remove the eight assurance 'domains based' approach to forming the opinion for Health Boards. The domains approach has been removed to ensure that work in 2020/21 reflected the significant change in the risk profile for NHS Wales' organisations due to the impact of COVID-19.

There are no changes to the approach to forming the opinion for Trusts and other Health Bodies. The professional judgement of the Head of Internal Audit also remains key in determining the appropriate overall opinion. This change does not impact upon our assessment of our compliance with the requirements of PSIAS.

The assurance rating system based upon the colour-coded barometer and applied to individual audit reports remains unchanged. The descriptive narrative used in these definitions as clarified in 2013/14 has proven effective in giving an objective and consistent measure of assurance in the context of assessed risk and associated control in those areas examined.

This same assurance rating system is applied to the overall Head of Internal Audit opinion on governance, risk management and control as to individual assignment audit reviews. The assurance rating system together with definitions is included at **Appendix D**.

The individual conclusions arising from detailed audits undertaken during the year have been summarised by the assurance ratings received. The aggregation of audit results gives a better picture of assurance to the Board and also provides a rational basis for drawing an overall audit opinion. However, please note that for presentational purposes we have shown the results using the eight assurance domains that were used to frame the audit plan at its outset (see section 2.4.2

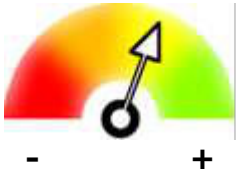
and Appendix B). We will consider whether changes need to be made to how we present our findings in this report for the 2021/22 Head of Internal Audit Opinion.

As in previous years, a quality assurance review process has been applied by the Director of Audit & Assurance and the Head of Internal Audit in the annual reporting process to ensure the overall opinion is consistent with the underlying audit evidence.

2.4 Head of Internal Audit Opinion

2.4.1 Scope of opinion

The scope of my opinion is confined to those areas examined in the risk based audit plan which has been agreed with senior management and approved by the Audit Committee. The Head of Internal Audit assessment should be interpreted in this context when reviewing the effectiveness of the system of internal control and be seen as an internal driver for continuous improvement. The Head of Internal Audit opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management, and control is set out below.

Reasonable assurance		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.
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This opinion will need to be reflected within the Annual Governance Statement along with confirmation of action planned to address the issues raised. Particular focus should be placed on the agreed response to any Limited Assurance reports issued during the year and the significance of the recommendations made (of which there were none in 2020/21).

The audit work undertaken during 202/21 and reported to the Audit Committee has been aggregated at **Appendix B**.

2.4.2 Basis for Forming the Opinion

The evidence base upon which the overall opinion is formed is as follows:

- An assessment of the range of individual opinions and outputs arising from risk-based audit assignments contained within the Internal Audit plan that have been reported to the Audit Committee throughout the year. In addition, and where appropriate, work at either draft report stage or in progress but substantially complete has also been considered, and where this is the case then it is identified in the report. This assessment has taken account of the relative materiality of these areas and the results of any follow-up audits in progressing control improvements (see section 2.4.3).

- The results of any audit work related to the Health & Care Standards including, if appropriate, the evidence available by which the Board has arrived at its declaration in respect of the self-assessment for the Governance, Leadership and Accountability module.
- Other assurance reviews which impact on the Head of Internal Audit opinion including audit work performed at other organisations (see Section 3).
- Other knowledge and information that the Head of Internal Audit has obtained during the year including: cumulative information and knowledge over time; observation of Board and other key committee meetings; meetings with Executive Directors, senior managers and Independent Members; the results of ad hoc work and support provided; liaison with other assurance providers and regulators; and research. Cumulative audit knowledge of the organisation that the Head of Internal Audit considers relevant to the Opinion for this year.

As stated above, these detailed results have been aggregated to build a picture of assurance across the Trust.

In reaching this opinion we have identified that the majority of reviews during the year concluded positively with robust control arrangements operating in some areas.

From the reports issued during the year, seven were allocated Substantial Assurance, nine were allocated Reasonable Assurance and one was allocated Limited Assurance. No reports were allocated no assurance. In addition, two Advisory & Non opinion reports were also issued.

In addition, the Head of Internal Audit has considered residual risk exposure across those assignments where limited or no assurance was reported. Further, the Head of Internal Audit has considered the impact where audit assignments planned this year did not proceed to full audits following preliminary planning work and these were either: removed from the plan; removed from the plan and replaced with another audit; or deferred until a future audit year. The reasons for changes to the audit plan were presented to the Audit Committee for consideration and approval. Notwithstanding that the opinion is restricted to those areas which were subject to audit review, the Head of Internal Audit has considered the impact of changes made to the plan when forming their overall opinion.

A summary of the findings in each of the domains as per the structure of the plan for 2020/21, is shown below, whilst noting the overall opinion for the Trust is based on an overall aggregated position.

Corporate Governance, Risk Management and Regulatory Compliance

The advisory review of Governance During the Covid-19 Pandemic presented a positive picture of arrangements, highlighting that the temporary governance arrangements operated effectively during the peak of the pandemic and complied with the guidance and the principles issued by Welsh Government.

The audit of the Trust's reporting of Health & Care Standards received a Substantial Assurance opinion rating.

The audit of arrangements in place within the Trust to ensure compliance with Welsh Language Standards also received a Reasonable Assurance opinion rating.

A review of both the Annual Governance Statement and the Governance, Leadership and Accountability Standard highlighted that they were considered to be on the whole consistent with our knowledge of the Trust through the audit work performed in the Internal Audit plan and a review of other organisational documents.

The planned audit of Welsh Risk Pool Claims was not required because there were no claims that were concluded during the year.

Strategic Planning, Performance Management & Reporting

The audit of Radiotherapy Bookings received a Substantial Assurance opinion rating.

Financial Governance and Management

The advisory review of Governance During the Covid-19 Pandemic highlighted that financial governance was maintained during the period under review. In addition the Director of Finance and Vice Chair were members of the Financial Governance Group for the procurement of PPE in NWSSP and our review of that arrangement also concluded positively.

We provided a Reasonable Assurance opinion rating on Financial Systems, noting debt recovery processes for private patients as an area for improvement which will be subject to further audit in 2021/22.

We reviewed the new Contracting Model and provided a Substantial Assurance opinion rating.

The audits of the payment systems provided by NWSSP, which we audit each year, concluded with positive assurance. The audits of Payroll and Accounts Payable received Reasonable Assurance opinion ratings.

Clinical Governance, Quality & Safety

The audit of the Annual Quality Statement received a Reasonable Assurance opinion rating.

We also undertook an audit of compliance with the Nurse Staffing Levels Act and were able to provide a Substantial Assurance opinion rating.

The audit of the Quality and Safety Framework was deferred for inclusion in the internal audit plan for 2021/22 to a time when the Framework is sufficiently advanced to enable audit scrutiny. Progress on the development and

implementation of the Framework has been understandably impacted by the Trust's response to the Covid-19 Pandemic.

Information Governance & IT Security

An IM&T Control Risk Assessment was undertaken, identifying areas of good practice as well as those areas that required strengthening.

The planned audit of WTAIL/LIMS has been carried forward into 2021/22 to a time when the project is at a stage where audit is appropriate.

Operational Service and Functional Management

The audits of the Welsh Blood Service Division and Velindre Cancer Centre Division were both allocated a Reasonable Assurance opinion rating.

Workforce Management

The audit of Workforce Planning was carried forward from the 2019/20 Internal Audit Plan and concluded in early 2020 with a Limited Assurance opinion rating.

Sufficient progress had been made in the implementation of the agreed management actions in order to enable us to provide a Reasonable Assurance opinion rating for the Follow-up audit undertaken later in the year.

Capital & Estates Management

The audits of the Environmental Sustainability Report and Water Safety received Reasonable Assurance opinion ratings.

Four positive reports were issued in respect of the Integrated Audit and Assurance Plan covering the early stages of the new Velindre Cancer Centre development. The audits of Planning, Governance & Financial Management and Contract Arrangements/Project Agreement received a Substantial Assurance opinion rating and the audit of Advisers received a Reasonable Assurance opinion rating.

Due to the coverage of the new Velindre Cancer Centre above it was agreed with management and the Audit Committee that the planned audit of Capital Systems was not required.

2.4.3 Approach to Follow Up of Recommendations

As part of our audit work we consider the progress made in implementing the actions agreed from our previous reports for which we were able to give only Limited or No Assurance. In addition, where appropriate, we also consider progress made on high priority findings in reports where we were still able to give Reasonable Assurance.

In addition, Audit Committees monitor the progress in implementing recommendations (this is wider than just Internal Audit recommendations)

through their own recommendation tracker processes. We attend all Audit Committee meetings and observe the quality and rigour around these processes.

This year, due to the impact of COVID-19, we are aware that it has been more difficult than usual for NHS organisations to implement recommendations to the timescales they had originally agreed. In addition, we also recognise that for new recommendations it may be more difficult to be precise on when exactly actions can be implemented by. However, it remains the role of Audit Committees to consider and agree the adequacy of management responses and the dates for implementation, and any subsequent request for revised dates, proposed by Management. Where appropriate, we have adjusted our approach to follow-up work to reflect these challenges.

Going forward, given that it is very likely that the number of outstanding recommendations will have grown during the course of the pandemic, Audit Committees will need to reflect on how best they will seek to address this position.

We have considered the impact of both our follow-up work and where there have been delays to the implementation of recommendations, on both our ability to give an overall opinion (in compliance with the PSIAS) and the level of overall assurance that we can give.

It is pleasing that for the Limited Assurance report on Workforce Planning we were able to follow up the implementation of recommendations during the year and provide a Reasonable Assurance opinion rating.

2.4.4 Limitations to the Audit Opinion

Internal control, no matter how well designed and operated, can provide only reasonable and not absolute assurance regarding the achievement of an organisation's objectives. The likelihood of achievement is affected by limitations inherent in all internal control systems.

As mentioned above the scope of the audit opinion is restricted to those areas which were the subject of audit review through the performance of the risk-based Internal Audit plan. In accordance with auditing standards, and with the agreement of senior management and the Board, Internal Audit work is deliberately prioritised according to risk and materiality. Accordingly, the Internal Audit work and reported outcomes will bias towards known weaknesses as a driver to improve governance risk management and control. This context is important in understanding the overall opinion and balancing that across the various assurances which feature in the Annual Governance Statement.

Caution should be exercised when making comparisons with prior years. Audit coverage will vary from year to year based upon risk assessment and cyclical coverage on key control systems. In addition, the impact of COVID-19 on this year's (and to an extent last year's) programme makes any comparison even more difficult.

2.4.5 Period covered by the Opinion

Internal Audit provides a continuous flow of assurance to the Board and, subject to the key financials and other mandated items being completed in-year, the cut-

off point for annual reporting purposes can be set by agreement with management. To enable the Head of Internal Audit opinion to be better aligned with the production of the Annual Governance Statement a pragmatic cut-off point has been applied to Internal Audit work in progress.

By previous agreement with the Trust, audit work reported to draft stage has been included in the overall assessment, with all other work in progress rolled-forward and reported within the overall opinion for next year.

The majority of audit reviews will relate to the systems and processes in operation during 2020/21 unless otherwise stated and reflect the condition of internal controls pertaining at the point of audit assessment.

The audit of Environmental Sustainability Reporting contained within the 2020/21 Internal Audit plan related to the Trust's report produced in respect of the 2019/20 year.

Follow-up work will provide an assessment of action taken by management on recommendations made in prior periods and will therefore provide a limited scope update on the current condition of control and a measure of direction of travel.

There are some specific assurance reviews which remain relevant to the reporting of the organisation's Annual Report required to be published after the year end. Where required, any specified assurance work would be aligned with the timeline for production of the Trust's Annual Report and accordingly will be completed and reported to management and the Audit Committee subsequent to this Head of Internal Audit Opinion. However, the Head of Internal Audit's assessment of arrangements in these areas would be legitimately informed by drawing on the assurance work completed as part of this current year's plan.

2.5 Required Work

There are a number of pieces of work that Welsh Government has required previously that Internal Audit has reviewed each, where applicable. These pieces cover aspects of:

- Health & Care Standards, including the Governance, Leadership and Accountability standard;
- Annual Governance Statement;
- Annual Quality Statement;
- Environmental Sustainability Report; and
- Welsh Risk Pool.

Where appropriate, our work is reported in Section 5 – Risk based Audit Assignments and at **Appendix B**.

Please note that following discussions with Welsh Government we are not being mandated to audit these areas from 2021/22. Future work in these areas will be determined on the basis of risk or specific requests from the organisation.

2.6 Statement of Conformance

The Welsh Government determined that the Public Sector Internal Audit Standards (PSIAS) would apply across the NHS in Wales from 2013/14.

The provision of professional quality Internal Audit is a fundamental aim of our service delivery methodology and compliance with PSIAS is central to our audit approach. Quality is controlled by the Head of Internal Audit on an ongoing basis and monitored by the Director of Audit & Assurance. The work of internal audit is also subject to an annual assessment by Audit Wales. In addition, at least once every five years, we are required to have an External Quality Assessment. This was undertaken by the Chartered Institute of Internal Auditors (IIA) in February and March 2018. The IIA concluded that NWSSP's Audit & Assurance Services conforms with all 64 fundamental principles and 'it is therefore appropriate for NWSSP Audit & Assurance Services to say in reports and other literature that it conforms to the IIA's professional standards and to PSIAS.'

The NWSSP Audit and Assurance Services can assure the Audit Committee that it has conducted its audit at Trust in conformance with the Public Sector Internal Audit Standards for 2020/21.

Our conformance statement for 2020/21 is based upon:

- the results of our internal Quality Assurance and Improvement Programme (QAIP) for 2020/21 which will be reported formally in the Summer of 2021; and
- the results of the work completed by Audit Wales.

We have set out, in **Appendix A**, the key requirements of the Public Sector Internal Audit Standards and our assessment of conformance against these requirements. The full results and actions from our QAIP will be included in the 2020/21 QAIP report. There are no significant matters arising that need to be reported in this document.

2.7 Completion of the Annual Governance Statement

While the overall Internal Audit opinion will inform the review of effectiveness for the Annual Governance Statement the Accountable Officer and the Board need to take into account other assurances and risks when preparing their statement. These sources of assurances will have been identified within the Board's own performance management and assurance framework and will include, but are not limited to:

- direct assurances from management on the operation of internal controls through the upward chain of accountability;
- internally assessed performance against the Health & Care Standards;
- results of internal compliance functions including Local Counter-Fraud, Post Payment Verification, and risk management;

- reported compliance via the Welsh Risk Pool regarding claims standards and other specialty specific standards reviewed during the period; and
- reviews completed by external regulation and inspection bodies including Audit Wales and Healthcare Inspectorate Wales.

3. OTHER WORK RELEVANT TO THE TRUST

As our internal audit work covers all NHS Wales organisations there are a number of audits that we undertake each year which, while undertaken formally as part of a particular health organisation's audit programme, will cover activities relating to other Health bodies. These are set out below, with relevant comments and opinions attached, and relate to work at:

- NHS Wales Shared Services Partnership;
- NHS Wales Informatics Service;
- Welsh Health Specialised Services Committee; and
- Emergency Ambulance Services Committee.

Please note that, in response to COVID-19, we have altered our approach this year and undertaken additional testing on a number of the national NWSSP run systems and produced separate reports for each NHS Wales organisation where appropriate.

NHS Wales Shared Services Partnership (NWSSP)

As part of the internal audit programme at NHS Wales Shared Services Partnership (NWSSP), a hosted body of the Trust, a number of audits were undertaken which are relevant to the Trust. These audits of the financial systems operated by NWSSP, processing transactions on behalf of the Trust, derived the following opinion ratings:

Audit	Opinion Rating	Comments
Accounts Payable	Reasonable	A summary report will be produced for the Trust.
Payroll	Reasonable	A summary report will be produced for the Trust.
Welsh Risk Pool	Substantial	-
Financial Governance Arrangements During Covid- 19 Pandemic		
	Not rated (advisory)	Positive report on financial governance arrangements during the pandemic

Please note that other audits of NWSSP activities are undertaken as part of the overall NWSSP internal audit programme. The overall Head of Internal Audit Opinion for NWSSP is Reasonable Assurance.

The reports on Accounts Payable and Payroll are also included in the table at Appendix B (as they have been in previous years).

NHS Wales Informatics Service (NWIS)

As part of the internal audit programme at NHS Wales Informatics Service (NWIS), a hosted body of the Trust, a number of audits were undertaken which are relevant to the Trust. These audits derived the following opinion ratings:

Audit	Opinion Rating	Comments
IT Cyber Security	Substantial	-
GDPR Follow-Up	Substantial	-
Operational Resilience	Reasonable	-
Supplier Management Follow-Up	Reasonable	-

Please note that other audits of NWIS activities are undertaken as part of the overall NWIS internal audit programme. All reports are received by the Velindre University NHS Trust Audit Committee. No formal Head of Internal Audit Opinion is currently given for the work at NWIS.

For 2020/21, NWIS will become a Special Health Authority under the name of Digital Health and Care Wales and will have a separate Audit Committee, Internal Audit plan and annual Head of Internal Audit Opinion.

Welsh Health Specialised Services Committee (WHSSC) and Emergency Ambulance Services Committee (EASC)

The work at both the Welsh Health Specialist Services Committee (WHSSC) and the Emergency Ambulance Services Committee (EASC) is undertaken as part of the Cwm Taf Morgannwg University Health Board internal audit plan. These audits are listed below and derived the following opinion ratings:

Audit	Opinion Rating	Comments
WHSSC - Women and Children Directorate	Substantial	-
WHSSC – financial systems	Substantial	-
EASC - Recruitment review	Reasonable	-

While these audits do not form part of the annual plan for Trust, they are listed here for completeness as they do impact on the organisation's activities. The Head of Internal Audit has considered if any issues raised in the audits could impact on

the content of our annual report and concluded that there are no matters of this nature.

Full details of the NWSSP audits are included in the NWSSP Head of Internal Audit Opinion and Annual Report and are summarised in the Velindre NHS Trust Head of Internal Audit Opinion and Annual Report. NWIS audits are summarised in the Velindre University NHS Trust Head of Internal Audit Opinion and Annual Report, and the WHSSC and EASC audits are summarised in the Cwm Taf Morgannwg University Health Board Head of Internal Audit Opinion and Annual Report.

4. DELIVERY OF THE INTERNAL AUDIT PLAN

4.1 Performance against the Audit Plan

The Internal Audit Plan has been delivered substantially in accordance with the schedule agreed with the Audit Committee, subject to changes agreed as the year progressed. Regular audit progress reports have been submitted to the Audit Committee during the year.

The audit plan approved by the Audit Committee in April 2020 contained 22 planned audits. During the year changes have been made to the plan with three deferred. We therefore planned to deliver 19 audits.

The assignment status summary is reported at section 5 and **Appendix B**.

In addition, throughout the year we have responded to requests for advice and/or assistance across a variety of business areas. This advisory work undertaken in addition to the assurance plan is permitted under the standards to assist management in improving governance, risk management and control. This activity has been reported during the year within our progress reports to the Audit Committee.

4.2 Service Performance Indicators

In order to be able to demonstrate the quality of the service delivered by Internal Audit, a range of service performance indicators supported by monitoring systems have been developed. The key performance indicators are summarised in Appendix C.

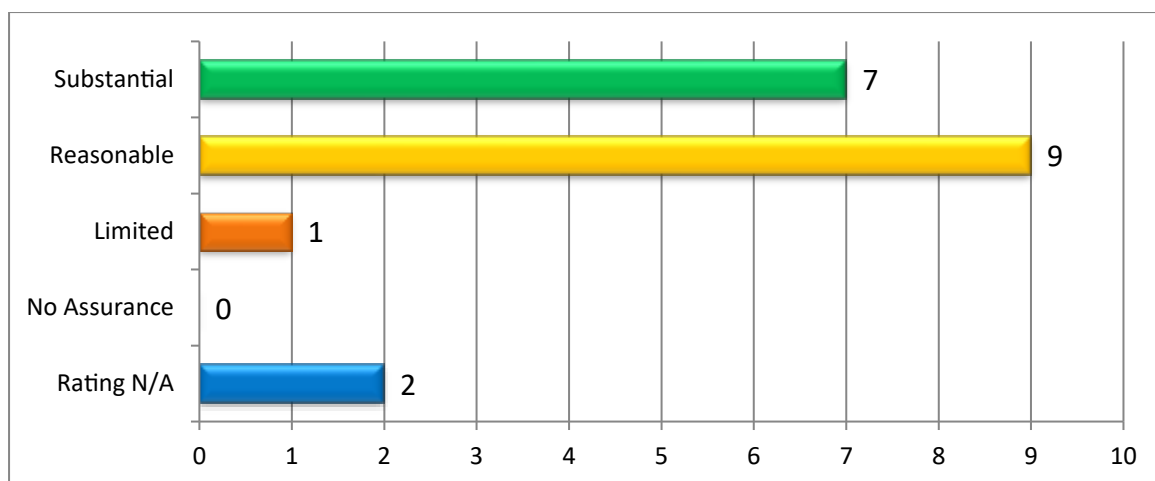
5. RISK-BASED AUDIT ASSIGNMENTS

The overall opinion provided in Section 1 and our conclusions on individual assurance domains is limited to the scope and objectives of the reviews we have undertaken, detailed information on which has been provided within the individual audit reports.

5.1 Overall summary of results

In total 19 audit and advisory reviews were reported during the year. Figure 1 below presents the assurance ratings and the number of audits derived for each.

Figure 2 Summary of audit ratings



The assurance ratings and definitions used for reporting audit assignments are included in **Appendix D**.

In addition to the above, there were several audits which did not proceed following preliminary planning and agreement with management, as it was recognised that there was action required to address issues / risks already known to management and an audit review at that time would not add additional value. Such audits were replaced.

The following sections provide a summary of the scope and objective for each assignment undertaken within the year along with the assurance rating.

5.2 Substantial Assurance



In the following review areas, the Board can take **substantial assurance** that arrangements to secure governance, risk management and internal control are suitably designed and applied effectively. Those few matters that may require attention are compliance or advisory in nature with low impact on residual risk exposure.

Review Title	Objective
Health and Care Standards	The objective of this audit was to evaluate and determine the adequacy of the systems and controls in place for the completion of the self-assessments and the review thereof, in order to provide reasonable assurance to the Trust's Audit Committee that risks material to the achievement of system objectives are managed appropriately.
Nurse Staffing Levels Act	The overall objective of this review was to evaluate and determine the adequacy of the systems and controls in place within the Trust for nurse staffing levels.
Radiotherapy Bookings	The objective of this review was to provide assurance that arrangements in place for the booking of radiotherapy planning and treatment are operating effectively.
New Contracting Model	The overall objective of this review was to ensure that the Model is appropriate and meets the requirements of the Trust.
New Velindre Cancer Centre Development – Planning	The review was undertaken to determine the adequacy of, and operational compliance with, the Trust's systems and procedures, taking account of relevant NHS and other supporting regulatory and procedural requirements, as appropriate.
New Velindre Cancer Centre – Governance and Financial Management	The objective of this audit was to evaluate the systems and controls in place operating within the Trust, with a view to delivering reasonable assurance to the Audit Committee that risks material to the objectives of the areas of coverage were appropriately managed.

Review Title	Objective
New Velindre Cancer Centre – Contract Arrangements/Project Agreement	The objective of this audit was to evaluate the systems and controls in place operating within the Trust, with a view to delivering reasonable assurance to the Audit Committee that risks material to the objectives of the areas of coverage were appropriately managed.

5.3 Reasonable Assurance



In the following review areas, the Board can take **reasonable assurance** that arrangements to secure governance, risk management and internal control are suitably designed and applied effectively. Some matters require management attention in either control design or operational compliance and these will have low to moderate impact on residual risk exposure until resolved.

Review Title	Objective
Financial Systems	The overall objective of this review was to evaluate and determine the adequacy of the systems and controls in place for the management of key aspects of the financial systems, in order to provide assurance to the Audit Committee that risks material to the achievement of systems objectives are appropriately managed.
Annual Quality Statement	The overall objective of this review was to ensure that the Annual Quality Statement is complete and consistent with information reported to the Trust Board and other committees and meets the requirements of Welsh Government.
Velindre Cancer Centre Divisional Audit	This was an audit of a sample of internal control and governance processes within the Velindre Cancer Centre (VCC) Division of the Trust.
Welsh Blood Service Divisional Audit	This was an audit of a sample of internal control and governance processes within the Welsh Blood Service (WBS) Division of the Trust.
Environmental Sustainability Report	The overall objective of this review was to assess the adequacy of management arrangements for the production of the Sustainability Report.

Review Title	Objective
Welsh Language Standards	The overall objective of this review was to evaluate and determine the adequacy of the systems and controls in place to ensure compliance with the Standards.
Workforce Planning Follow-up	The overall objective of this review was to provide the Trust with assurance regarding the implementation of the agreed management responses from the workforce planning review that was undertaken as part of the 2019/20 work programme.
Estates Assurance – Water Management	The audit was commissioned to determine that management are appropriately assured in relation to performance of water safety duties.
New Velindre Cancer Centre Development - Advisors and controls	The objective of this audit was to evaluate the systems operating within the Trust, with a view to delivering reasonable assurance to the Audit Committee that risks material to the objectives of the areas of coverage were appropriately managed.

5.4 Limited Assurance



In the following review area, prior to the Follow-up review undertaken later in the year, the Board could take only **limited assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. More significant matters require management attention with moderate impact on residual risk exposure until resolved.

Review Title	Objective
Workforce Planning	The overall objective of the review was to evaluate and determine the adequacy of the arrangements in place for workforce planning in order to provide reasonable assurance to the Trust's Audit Committee that risks material to the achievement of system objectives are managed appropriately.

5.5 No Assurance



There are no audited areas in which the Board has **no assurance** that arrangements to secure governance, risk management and internal control are suitably designed and applied effectively, or where action remains to be taken to address the whole control framework with high impact on residual risk exposure until resolved.

5.6 Assurance Not Applicable

The following reviews were undertaken as part of the audit plan and reported or closed by correspondence without the standard assurance rating indicator, owing to the nature of the audit approach.

Review Title	Objective
Governance Arrangements During the Covid-19 Pandemic	The advisory review assessed the adequacy and effectiveness of internal controls in operation during the Covid-19 outbreak, with particular regard to the Principles set out by the Welsh Government regarding maintaining financial governance.
IM&T Control Risk Assessment	This review sought to provide a baseline picture of the organisation's status and provides suggestions for areas of improvement or future development.

5.7 Deferred Audits

Subsequent to the approval of the Internal Audit Plan in April 2020, the following audits were deferred. The reason for deferment is outlined for each audit together with any impact noted on the Head of Internal Audit Opinion.

Review Title	Reason for Deferral
Welsh Risk Pool Claims	There were no claims closed during the year for us to audit.
WTAI LIMS	This IT project was not an appropriate stage for audit.
Quality and Safety Framework	Deferred due to slower than expected progress with the development of the framework as a result of the pandemic.

Capital Systems	Deferred in favour of a number of specific reviews relating to the new Velindre Cancer Centre.
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6. ACKNOWLEDGEMENT

In closing I would like to acknowledge the time and co-operation given by directors and staff of the Trust to support the delivery of the Internal Audit assignments undertaken within the 2020/21 plan.

James Quance

Head of Internal Audit

Audit & Assurance Services

NHS Wales Shared Services Partnership

June 2021

ATTRIBUTE STANDARDS:	
1000 Purpose, authority and responsibility	Internal Audit arrangements are derived ultimately from the NHS organisation's Standing Orders and Financial Instructions. These arrangements are embodied in the Internal Audit Charter adopted by the Audit Committee on an annual basis.
1100 Independence and objectivity	Appropriate structures and reporting arrangements are in place. Internal Audit does not have any management responsibilities. Internal audit staff are required to declare any conflicts of interests. The Head of Internal Audit has direct access to the Chief Executive and Audit Committee chair.
1200 Proficiency and due professional care	Staff are aware of the Public Sector Internal Audit Standards and Code of Ethics. Appropriate staff are allocated to assignments based on knowledge and experience. Training and Development exist for all staff. The Head of Internal Audit is a professionally qualified.
1300 Quality assurance and improvement programme	Head of Internal Audit undertakes quality reviews of assignments and reports as set out in internal procedures. Internal quality monitoring against standards is performed by the Head of Internal Audit and Director of Audit & Assurance. Audit Wales complete an annual assessment. An EQA was undertaken in 2018.
PERFORMANCE STANDARDS:	
2000 Managing the internal audit activity	The Internal Audit activity is managed through the NHS Wales Shared Services Partnership. The audit service delivery plan forms part of the NWSSP integrated medium term plan. A risk-based strategic and annual operational plan is developed for the organisation. The operational plan gives detail of specific assignments and sets out overall resource requirement. The audit strategy and annual plan is approved by Audit Committee.

	Policies and procedures which guide the Internal Audit activity are set out in an Audit Quality Manual. There is structured liaison with Audit Wales and LCFS.
2100 Nature of work	The risk-based plan is developed and assignments performed in a way that allows for evaluation and improvement of governance, risk management and control processes, using a systematic and disciplined approach.
2200 Engagement planning	The Audit Quality Manual guides the planning of audit assignments which include the agreement of an audit brief with management covering scope, objectives, timing and resource allocation.
2300 Performing the engagement	The Audit Quality Manual guides the performance of each audit assignment and each report is quality reviewed before issue.
2400 Communicating results	Assignment reports are issued at draft and final stages. The report includes the assignment scope, objectives, conclusions and improvement actions agreed with management. An audit progress report is presented at each meeting of the Audit Committee.
2500 Monitoring progress	An annual report and opinion is produced for the Audit Committee giving assurance on the adequacy and effectiveness of the organisation's framework of governance, risk management and control.
	An internal follow-up process is maintained by management to monitor progress with implementation of agreed management actions. This is reported to the Audit Committee. In addition audit reports are followed-up by Internal Audit on a selective basis as part of the operational plan.
2600 Communicating the acceptance of risks	If Internal Audit considers that a level of inappropriate risk is being accepted by management, it would be discussed and will be escalated to Board level for resolution.

AUDIT RESULTS GROUPED BY ASSURANCE DOMAIN

Assurance domain	Report Number		Not rated	No	Limited assurance	Reasonable assurance	Substantial assurance
Corporate governance, risk and regulatory compliance	3		▢ Governance Arrangements During the Covid-19 Pandemic			▢ Welsh Language Standards	▢ Health and Care Standards
Strategic planning, performance management and reporting	1						▢ Radiotherapy Bookings
Financial governance and management *	4					▢ Financial Systems ▢ Accounts Payable ▢ Payroll	▢ New Contracting Model
Clinical governance quality and safety	2					▢ Annual Quality Statement	▢ Nurse Staffing Levels Act
Information governance and security	1		▢ IM&T Control Risk Assessment				
Operational service and functional management	2					▢ Velindre Cancer Centre Divisional Audit ▢ Welsh Blood Service Divisional Audit	

Assurance domain	Report Number		Not rated	No	Limited assurance	Reasonable assurance	Substantial assurance
Workforce management	2				Workforce Planning	Workforce Planning follow-up	
Capital and estates management	6					Environmental Sustainability Report Water Management nVCC Development - Advisors	nVCC Development - Planning nVCC Development - Governance & Financial Management nVCC Development - Contract Arrangements/Project Agreement
			2		1	11	7

* This domain includes the outcome of two financial system audits undertaken through the audit of NWSSP as they include transactions processed on behalf of the Trust.

Key to symbols:

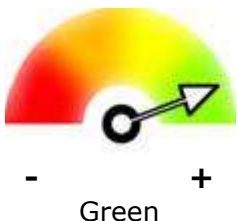

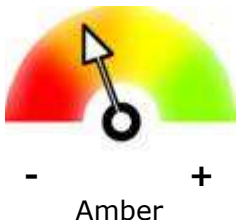
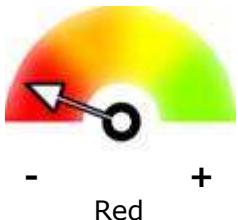
- Audit undertaken within the annual Internal Audit plan
- Italics* Reports not yet finalised but have been issued in draft
- Audits undertaken as per of the NWSSP Internal Audit Plan.

PERFORMANCE INDICATORS

Indicator Reported to NWSSP Audit Committee	Status	Actual	Target	Red	Amber	Green
Operational Audit Plan agreed for 2020/21	G	<i>April 2020 and June 2020</i>	<i>By 30 June</i>	<i>Not agreed</i>	<i>Draft plan</i>	<i>Final plan</i>
Total assignments reported against adjusted plan for 2020/21	<u>G</u>	<u>100%</u>	100%	$v > 20\%$	$10\% < v < 20\%$	$v < 10\%$
Report turnaround: time from fieldwork completion to draft reporting [10 working days]	<u>G</u>	<u>100%</u>	80%	$v > 20\%$	$10\% < v < 20\%$	$v < 10\%$
Report turnaround: time taken for management response to draft report [15 working days]	<u>G</u>	<u>80%</u>	80%	$v > 20\%$	$10\% < v < 20\%$	$v < 10\%$
Report turnaround: time from management response to issue of final report [10 working days]	<u>G</u>	<u>100%</u>	80%	$v > 20\%$	$10\% < v < 20\%$	$v < 10\%$

Key: v = percentage variance from target performance

2020/21 Audit Assurance Ratings

RATING	INDICATOR	DEFINITION
Substantial Assurance	 <p>- + Green</p>	The Board can take substantial assurance that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Few matters require attention and are compliance or advisory in nature with low impact on residual risk exposure.
Reasonable Assurance	 <p>- + Yellow</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.
Limited Assurance	 <p>- + Amber</p>	The Board can take limited assurance that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. More significant matters require management attention with moderate impact on residual risk exposure until resolved.
No Assurance	 <p>- + Red</p>	The Board has no assurance that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Action is required to address the whole control framework in this area with high impact on residual risk exposure until resolved.

Confidentiality

This report is supplied on the understanding that it is for the sole use of the persons to whom it is addressed and for the purposes set out herein. No persons other than those to whom it is addressed may rely on it for any purposes whatsoever. Copies may be made available to the addressee's other advisers provided it is clearly understood by the recipients that we accept no responsibility to them in respect thereof. The report must not be made available or copied in whole or in part to any other person without our express written permission.

In the event that, pursuant to a request which the client has received under the Freedom of Information Act 2000, it is required to disclose any information contained in this report, it will notify the Head of Internal Audit promptly and consult with the Head of Internal Audit and Director of Corporate Governance prior to disclosing such report.

The Trust shall apply any relevant exemptions which may exist under the Act. If, following consultation with the Head of Internal Audit this report or any part thereof is disclosed, management shall ensure that any disclaimer which NHS Wales Audit & Assurance Services has included or may subsequently wish to include in the information is reproduced in full in any copies disclosed.

Audit

The audit was undertaken using a risk-based auditing methodology. An evaluation was undertaken in relation to priority areas established after discussion and agreement with the Trust. Following interviews with relevant personnel and a review of key documents, files and computer data, an evaluation was made against applicable policies, procedures and regulatory requirements and guidance as appropriate.

Internal control, no matter how well designed and operated, can provide only reasonable and not absolute assurance regarding the achievement of an organisation's objectives. The likelihood of achievement is affected by limitations inherent in all internal control systems. These include the possibility of poor judgement in decision-making, human error, control processes being deliberately circumvented by employees and others, management overriding controls and the occurrence of unforeseeable circumstances.

Where a control objective has not been achieved, or where it is viewed that improvements to the current internal control systems can be attained, recommendations have been made that if implemented, should ensure that the control objectives are realised/ strengthened in future.

A basic aim is to provide proactive advice, identifying good practice and any systems weaknesses for management consideration.

Responsibilities

Responsibilities of management and Internal Auditors:

It is management's responsibility to develop and maintain sound systems of risk management, internal control and governance and for the prevention and detection of irregularities and fraud.

Internal audit work should not be seen as a substitute for management's responsibilities for the design and operation of these systems.

We plan our work so that we have a reasonable expectation of detecting significant control weaknesses and, if detected, we may carry out additional work directed towards identification of fraud or other irregularities. However, Internal Audit procedures alone, even when carried out with due professional care, cannot ensure fraud will be detected. The organisation's Local Counter Fraud Officer should provide support for these processes.



Office details: Audit & Assurance Services
 South Central Team Cardiff

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TRUST BOARD

QUALITY, SAFETY & PERFORMANCE COMMITTEE HIGHLIGHT REPORT

DATE OF MEETING	8 th June 2021
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PUBLIC OR PRIVATE REPORT	Public
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IF PRIVATE PLEASE INDICATE REASON	Not Applicable - Public Report
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PREPARED BY	Jade Coleman, Business Support Officer
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PRESENTED BY	Janet Pickles, Independent Member
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EXECUTIVE SPONSOR APPROVED	Nicola Williams, Executive Director Nursing, Allied Health Professionals & Health Scientists
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REPORT PURPOSE	FOR NOTING
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ACRONYMS	
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VCC	Velindre Cancer Centre
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WBS	Welsh Blood Service
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1. PURPOSE

This paper has been prepared to provide the Trust Board with details of the key issues and items considered by the Quality, Safety & Performance Committee at its meeting held on the 13th May 2021.

The Board is requested to **NOTE** the contents of the report and actions being taken.

2. BACKGROUND

This was the fourth meeting of the Quality, Safety and Performance Committee following the establishment of a new Board Committee structure in November 2020. The Quality, Safety and Performance Committee meets on a bi-monthly basis. This was the first meeting with the revised cycle of business as we have moved into COVID recovery phase where the Divisions provide their comprehensive triangulated quality, safety and performance reports every other meeting.

3. HIGHLIGHT REPORT

The following areas were highlighted for reporting to the Trust Board from the Public meeting of the Quality, Safety & Performance Committee held on the 13th May 2021:

ALERT / ESCALATE	There were no items for alerting or escalating to the Trust Board.
ADVISE	<ul style="list-style-type: none"> Medical Examiner Service and Velindre University NHS Trust Report The Committee received a comprehensive Medical Examiner report that provided an update on the implementation of the Medical Examiner System in Wales and the revised mortality review process that has been put in place within Velindre Cancer Centre. Committee members were advised that the Medical Examiner System (MES) is being implemented in England and Wales in response to The Shipman Inquiry and Mid Staffordshire NHS Foundation Trust Public Inquiry. The report outlined the proposal for a common approach to death certification and independent scrutiny of all deaths, to allow the cause of death to be more accurately identified. Committee members noted that this will represent a significant change for the Trust in terms of becoming part of the National reporting system. The Committee were advised that the Trust would commence using the Medical Examiners Service for death certification / mortality reviews by July 2021 and that staff engagement events are planned in advance of this date.

- Shared Services Transforming Medicines Unit Report**

The Committee received a report provided by NHS Wales Shared Services Partnership in relation to the NHS Wales Temporary Medicines Unit that had been commissioned by Welsh Government in response to an increasing demand for intravenous infusions to supplement existing Centralised Intravenous Additives Services (CIVAS).

In January 2021, Welsh Government confirmed the extension of funding to 31st March 2023 and advised that “Temporary” should be removed from the name of the unit. The alternative name CIVAS@IP5 has been adopted.

To date CIVAS@IP5 has manufactured 37 batches of intravenous infusions, which have been supplied to each of the health boards to support critical care during the most recent COVID-19 surge.

The Committee recognised that as well as the regulatory, compliance and assurance framework for the activity itself, it was also important to consider the wider quality governance framework in which this part of the NHS Wales Shared Services Partnership model operates. The report included a number of supporting appendices, which provided the Committee with further information in this regard. Specifically, the supporting appendices outlined various internal and external sources of assurance and key elements which will make up the organisational quality governance framework.

- For the Assessment Individualised Risk (FAIR) Implementation Progress Report**

The Committee received the ‘For the Assessment of Individualised Risk (FAIR) Implementation Progress Report.

Committee members were advised that the Welsh Blood Service collaborated with the UK Blood Services Forum and University of Nottingham to develop the Evidence Base for the use of more individualised donor risk assessment based on sexual behaviour for those who wish to donate blood. Recommendations were approved by Specialist Advisory Committee on the Safety of Blood Tissues and Organs (SaBTO) on 6 October 2020. The service in conjunction with the other four nations will implement these changes to coincide with World Blood Donor Day.

	<p>The Welsh Blood Service Communications Team are aiming to inform donors and the public by:</p> <ul style="list-style-type: none"> ○ Developing “pop-up” FAIR information boards to be displayed on donation clinics prior to go live on 14 June 2021 so donors are aware that when they next attend different questions will be asked. ○ Develop information about FAIR for the Welsh Blood Service internet and intranet sites prior to go live which will include a short video explaining the changes. ○ Update the online donor eligibility quiz – removing the old Men who have Sex with Men questions and replace them with the new FAIR based questions. ○ Ensure donors with queries are fast tracked to discuss their issues with a Donor Care Specialist Nurse. <p>The launch is UK wide, and national communications teams are working closely on aligned messaging ahead of the June 14th launch date.</p>
<p>ASSURE</p>	<ul style="list-style-type: none"> • Velindre Cancer Centre Patient Story <p>The Committee received a patient story presentation that had been developed in conjunction with the family of a patient of Velindre Cancer Centre who has sadly passed away. The story provided an overview of the patient’s background and experience of attending a Velindre clinic held at an Outreach location. Concerns had been raised by the family in relation to sharing of the clinic outcomes and ongoing plan between Velindre and the patient’s GP and the general poor experience and communication with the patient by the clinician, including lack of urgency in the provision of palliative care.</p> <p>The family had welcomed a formal meeting with the team at Velindre to receive a response to the complaint/concerns they had raised and were keen that the story be presented to the Trust Quality, Safety and Performance Committee forum, to ensure that their mother’s experience was heard and understood by the committee members. The family was keen that failures in communication and processes that they experienced are improved so that other patients do not have the same experience and to avoid further similar incidents.</p> <ul style="list-style-type: none"> • Considerable discussion took place. Confirmation was received that reflection has taken place by all involved. In addition, changes had been made in relation to provision of training in advanced

communication skills, revised systems and processes put in place to ensure that the processing of documents relating to clinic outcomes are completed in a timely way. It was identified that the delivery of integrated Digital Health Records will enable visibility of information across the health system. The Committee were also advised that the lessons learnt from these experiences will be included within the future outreach work programme. The Committee requested an action assurance report at its next meeting so that it can be assured that all required actions had been completed. **Infection Prevention & Control Management Group Report**

The Committee received the report from the Trusts Infection Prevention & Control Management Group meeting that was held on the 18th March 2021.

The Committee noted that the frequency of group meetings would revert back to operating on a bi-monthly basis, as opposed to monthly, given the improving national position and reducing COVID transmission rates in the community. Additional assurance would be gained at the monthly divisional Infection Prevention and Control summit meetings. A new Velindre Cancer Centre Infection Prevention and Control meeting had been established.

The Committee noted that two items had been identified for escalation within the report due to the fact that the group had not received a 'Water Safety Report' and 'Estates' report for its meeting in March.

The Committee were assured subsequent discussions have been held with the newly appointed Assistant Director for Estates and revised estates Infection Prevention & Control Management Group and Velindre Cancer Centre Infection Control Group membership has been agreed together with the required cycle of reporting which will commence with effect in May 2021.

The Committee noted that there had been no COVID incidents during the reporting period.

- **Quarter 4 Incident Report**

The Committee received a comprehensive quarter 4 incident report and noted that during this period 350 incidents were reported, one related to Corporate Services, 20 related to the Welsh Blood Service and 329 related to the Velindre Cancer Centre. The majority of

incidents resulted in no harm or low harm. The report outlined a number of examples of actions taken and improvements made from incidents.

The Committee were advised of the ongoing work to improve incident management at both Divisions.

The Committee also received an update in relation to the Velindre University NHS Trust migration over to the Once for Wales Datix incident management system, currently planned during May 2021.

- **Healthcare Standard Improvement Plan**

The Committee received a comprehensive Healthcare Standards paper that included the outcome of the 2020/21 self-assessment process, 2020/21 Improvement Plan position, the draft 2021/22 improvement plan and recommendations to further enhance the self-assessment process for this year's assessment with enhanced oversight, assurance and scrutiny in support of the standards.

The Committee recognised that the standards need to be more firmly embedded in the core business of Divisions and corporate teams and, therefore, the review included strengthening accountabilities and responsibilities and roles of management oversight groups in monitoring standards compliance. In addition, it was agreed that the frequency of assessments and reviews should increase from an annual process to a more embedded 'live' quarterly review process going forwards.

The Committee noted that the previously agreed revised 2020/21 self-assessment process had not been fully undertaken due to COVID pressures and that COVID had impacted on delivery of some of the planned areas of work. The Committee also endorsed the overarching assessment score for the 2020/21 self-assessment of a level 4 and approved the status of the 2020/21 improvement plan.

- **Nurse Staffing Levels (Wales) Act 2016**

The Committee received the 2020/21 Nurse Staffing act (Wales) annual report and the first 3- yearly report. It was noted that there had been no incidences that occurred within First Floor Ward as a result of Nurse Staffing levels.

• **Velindre Cancer Centre Divisional Quality and Safety Performance Report**

The Committee received a detailed Quality, Safety and Performance report from the Velindre Cancer Centre for the period up to the 31st March 2021.

The Committee noted that service delivery during this time was at the tail end of the second wave of COVID-19 and the associated winter pressures and throughout this period efforts were made to deliver a recovery plan from phase 1 of COVID-19 and implement lessons learnt.

The Velindre Cancer Centre have continued to:

- Experience reduced efficiency and capacity due to COVID-19 precaution measures and managing patients with COVID-19
- Deliver a staff COVID-19 vaccination programme aligned with Public Health Wales guidance.
- Administer some diagnostic tests and a number of treatments have been revised due to the risks of COVID-19 infection.
- Gain increased understanding of the impact of new variants of COVID -19 on service delivery.

The March 2021 performance report demonstrated improved performance in the Systemic Anti-Cancer Treatment (SACT) waiting times and that the demand for radiotherapy has begun to return to previous demand. It was important to note that the demand for SACT has already exceeded pre-COVID levels.

• **Quarterly Action Plan 2020/21 Year End Report**

The Committee received the Quarterly Action Plan for 2020/21 which detailed progress against the Trust's quarterly operational plans for the last financial year and, within the context of the COVID-19 pandemic.

The Committee were assured that the report had been prepared to 'close the governance loop' with respect to actions included in the Velindre University NHS Trust Operational Plan 2020/21. The Committee noted that whilst there are a number of actions that remain open (185 completed out of 235 actions), a significant proportion of the quarterly actions were completed and reported previously to the Quality Safety and Performance Committee.

- **Divisional Performance Reports**

- ***Welsh Blood Service***

The Committee received the Welsh Blood Service Performance report for the period up to 31st March 2021. Assurance was provided that the Welsh Blood Service has again delivered well against all targets within the context of the constraints and challenges of the pandemic. Those areas that are not reaching their key performance indicator are only just below and are impacted by the current COVID situation.

In March 2021, all stock groups were maintained above 3 days and stock levels were balanced across all groups. Red Cell stock was equal to 6.6 days and all clinical demand for red cells and platelets was met. Demand has returned to just 5% below pre Covid-19 levels.

The Welsh Blood Service continue to balance access to venues where they can operate within infection prevention and control requirements with the aim to return to as many communities as possible.

- ***Workforce and Organisational Development***

The Workforce and Organisational Development Performance Report provided a 12 monthly trend report for Sickness, PADR, Statutory and Mandatory training. Monthly hotspots were identified and actions highlighted to explain improvement trajectory work.

- **Financial Report**

The Committee received a comprehensive Finance Report which confirmed the overall final reported position against the revenue budget for 2020-21, i.e. an under spend of £16k.

Within the detailed report the breakeven position was further analysed between income, pay and non-pay and shows an expected underachievement against income, largely as a result of the impact of Covid-19, which is offset by an underspend on Pay.

The Committee were advised that a large element of the underachievement on planned income relates to the Welsh Blood Service Transplantation and Immunogenetics Laboratory and Blood Components & Research Development and Innovation due to the

	<p>impact of Covid-19. The other main area is staff costs, which are not being recharged to other organisations due to vacancies, this will be directly offset by underspend on pay.</p> <ul style="list-style-type: none"> • Digital Health & Care Wales / Velindre University NHS Trust Committee Actions Handover Report <p>The Committee received and noted a comprehensive paper detailing all legacy handover actions.</p>
INFORM	<ul style="list-style-type: none"> • Patient Experience Plan <p>The Committee received a comprehensive slide deck detailing the plans to implement the Once for Wales Patient experience System (across Velindre University NHS Trust).</p> <p>The Committee were advised that the planned system hosting arrangement by Swansea Bay University Health Board was no longer being progressed due to a number of implementation issues that had been identified as show stoppers. These were: being unable to use Trust / Divisional branding on app and reports, system hierarchy limitations, additional costs for data provision and the need for considerable re-work if subsequent standalone decision was made. It had therefore been agreed by Executive Management Board that the Trust would purchase the system independently. A Project Board has been established and will meet on a fortnightly basis to discuss initial priorities and agree implementation areas, hierarchies and surveys. Velindre Cancer centre would go live first as patient experience feedback capture had ceased at end of 2020 due to COVID pressures, sickness and inability to use paper surveys and the First Floor Ward at Velindre Cancer would be the early adopter, followed by a rapid roll out.</p> <p>The Committee were informed that the Project Board terms of reference is in the final stages of being formally agreed and will be brought to the Executive Management Board in June 2021. Both Divisions are fully engaged in the programme and core roles for the project have been agreed.</p> <ul style="list-style-type: none"> • Respect and Resolution Policy <p>The Committee approved the all Wales Respect and Resolution Policy that had been developed by the Welsh Partnership Forum that</p>

	<p>replaces the current all Wales Grievance Policy. The revised policy will be implemented from the 21st June 2021.</p> <ul style="list-style-type: none"> Quality & Safety Governance Arrangements for NHS Wales Shared Services Partnership Committee <p>The Committee received and endorsed proposals for an additional role for the Committee in respect of the assurance of the quality and safety of NHS Wales Shared Services Partnership. The importance of Velindre University NHS Trust Board, as the host organisation and statutory body having appropriate assurance to fulfil its accountabilities was stressed.</p> <p>It was agreed that, in line with arrangements for the Velindre Audit Committee for Shared Services that a separate highlight report would be produced for this section of the Committee and this would then be shared with the Shared Services Partnership Committee and ultimately to the Trust Board to provide assurance.</p> Triangulation <p>The Committee received reports, which enabled the integration of performance, with quality & safety reporting, together with finance, digital and workforce.</p> <p>The key theme running across the reports is that of the transition from the second wave of the pandemic to that of recovery together with a continued focus on ensuring capacity and capability to maintain delivery focused on patient and donor centred services.</p>
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4. RECOMMENDATION

The Trust Board is asked to **NOTE** the contents of this report.

TRUST BOARD

TRUST RISK REGISTER

DATE OF MEETING	8/6/2021	
PUBLIC OR PRIVATE REPORT	Public	
IF PRIVATE PLEASE INDICATE REASON	Not Applicable – Public report	
PREPARED BY	Lauren Fear, Director of Corporate Governance	
PRESENTED BY	Lauren Fear, Director of Corporate Governance	
EXECUTIVE SPONSOR APPROVED	Lauren Fear, Director of Corporate Governance	
REPORT PURPOSE	FOR APPROVAL	
COMMITTEE/GROUP WHO HAVE RECEIVED OR CONSIDERED THIS PAPER PRIOR TO THIS MEETING		
COMMITTEE OR GROUP	DATE	OUTCOME
Executive Management Board	21/5/21	IN SUPPORT

1. SITUATION/BACKGROUND

The Trust's current Risk Management Strategy, Framework and associated Policies were extensively developed and updated in 2020/21, following wide engagement with stakeholders. This was approved as a package by the Trust Board in September 2020.

During 2020/21 the Trust approach to risk management has been adapted to the context accordingly also. During the period of the first and second waves of the Covid-19, the approach to risk reporting has been modified to help ensure focus on the most priority mechanisms and areas. Risk reporting, through a quality and safety lens, has been a strong feature of Divisional reporting into the Quality, Safety and Performance Committee. Management of Covid-19 related risks has been through the Covid-19 Command Structure and then reported into Trust Board as part of the Covid-19 reporting mechanisms. This has also been captured in the formal planning cycles during the year, approved by the Trust Board. In addition, key risks have been reported into the relevant Committees – for instance regarding Transforming Cancer Services and Research, Development and Innovation. Significant risk matters have been escalated to the Trust Board during the period, for instance preparing for and after Brexit and changes to the cancer patient management system.

In parallel to this, the detail of the processes and systems to operationalise the agreed risk management framework have been worked on, in collaboration with the Divisions. At the user testing stage of the new process on Datix version 14, there were some feedback about ensuring that the key principle of ensuring all staff could enter a risk and ensure ownership and accountability clear and straightforward may not be achieved. This has therefore been worked on further to address.

2. ASSESSMENT / SUMMARY OF MATTERS FOR CONSIDERATION

Trust Board is asked to support the steps outlined below in order to ensure the new risk management process is operationalised by end July 2020.

In addition, appendix 1 is the summary of current Trust Risk Profile, which the Trust Board is asked to approve. The detail of the reporting of this profile, in line with the risk appetite levels agreed by the Trust Board and directly from the Datix system will follow according to steps outlined below.

New risk management process operationalised by end July 2020:

- Finalise new Datix form and associated process by mid June
- Training package to be worked though and confirmed with Divisional leads and Assistant Directors for Corporate Services by end June
- Training to be completed by end July

- Approach to migration of risks from version 12 of Datix module to version 14 of the module to be agreed with Divisions and Assistant Directors for Corporate Services by end June
- Updated to risk Policy package, including user guides etc, to be refreshed through Trust Board September 2021

3. IMPACT ASSESSMENT

QUALITY AND SAFETY IMPLICATIONS/IMPACT	Yes (Please see detail below)
RELATED HEALTHCARE STANDARD	Governance, Leadership and Accountability If more than one Healthcare Standard applies please list below:
EQUALITY IMPACT ASSESSMENT COMPLETED	Not required
LEGAL IMPLICATIONS / IMPACT	There are no specific legal implications related to the activity outlined in this report.
FINANCIAL IMPLICATIONS / IMPACT	There is no direct impact on resources as a result of the activity outlined in this report.

4. RECOMMENDATION

The Trust Board is asked to **SUPPORT** the proposed next steps ensure the new risk management process is operationalised by end July 2020.

The Trust Board is asked to **APPROVE** the summary of the current Trust risk profile in appendix 1.

Appendix 1 Summary Trust Risk Profile

Quality Risk Domain:

- Future trends in the toxicity and complexity of treatment and the growing number of patients with comorbidities and side effects from treatment mean that access to critical care for rapidly deteriorating patients and complex early phase trials will continue to be very important. There is therefore a risk that the current clinical pathways may need to be strengthened and reassessed through partnership with Health Boards. There is a current focus on strengthening patient pathways, working with Health Boards, particularly regarding timely critical care access.

Performance & Service Sustainability:

- There is a risk of not adequately planning our workforce in a way that is effectively aligned to service requirements, which could result in not having the right people, in the right place, at the right time and with the right skills, which could impact on the sustainability of service delivery.
- The Digital Health and Care Record Programme presents a risk to cancer services, given its significance as a replacement of the primary patient administration and core cancer treatment system. These system changes have led to a significant re-design of working processes for multiple staff groups, at a time of heightened pressure on all services due to the recovery from Covid-19.
- There is a risk to our ability to provide blood and cancer services at the appropriate volume and in line with national guidance, given the increase in services phase in Health Boards for cancer and elective procedures during recovery phase from Covid-19.
- Risks have been identified in relocating the Cancer Information System Cymru (CaNISC) from its current data centre. Due to the age of the platform and specifically the legacy nature of the application layer, there are risks that Velindre Cancer Centre would have all of its services being provided from a single data centre. If this data centre was then subject to disruption, this would have the potential to impact on the delivery of cancer services.
- There is a risk of not maintaining adequate blood supply due to an inability to operate blood collection clinics at the same efficiency compared to the pre-Covid 19 approach, due to social distancing and infection prevention control measures.
- The inability to replace the existing Welsh Transplantation and Immunogenetics Laboratory (WTAI) system by the target date, means there is an ongoing risk that both current and future requests to deliver new WTAI services will not be able to be supported. This could lead to WTAI being unable to deliver critical service modernisation that will meet service user expectations.
- All services across NHS Wales are now managing the ongoing and increasing risks of Cyber-attack. The risk to services are multi-dimensional and the Trust recognises that an attack could have the potential to significantly impact service delivery, and the reputation and confidence in our services.

Health & Safety:

- There are a number of health and safety risks at the Velindre Cancer Centre resulting from the age of the building and infrastructure.

Compliance:

- There is a risk to achieving compliance against the Welsh Language Standards within the timescales set by the Welsh Language Commissioner.

Finance:

- There is a risk that the contracting arrangements between Velindre and its Commissioners do not adequately accommodate future service developments and changes in clinical practices and therefore ensure that appropriate funding mechanisms are in place and agreed.

TRUST BOARD

REMUNERATION COMMITTEE HIGHLIGHT REPORT

DATE OF MEETING	8 th June 2021
PUBLIC OR PRIVATE REPORT	Public
IF PRIVATE PLEASE INDICATE REASON	Not Applicable - Public Report
PREPARED BY	Mel Findlay, Business Support Officer
PRESENTED BY	Donna Mead, Chair
EXECUTIVE SPONSOR APPROVED	Sarah Morley, Director of Organisational Development and Workforce
REPORT PURPOSE	FOR NOTING
ACRONYMS	
VCC	Velindre Cancer Centre

1. PURPOSE

- 1.1 This paper had been prepared to provide the Trust Board with details of the key issues considered by the Remuneration Committee on 29.04.2020.
- 1.2 Key highlights from the meeting are reported in section 2.
- 1.3 The Board is requested to **NOTE** the contents of the report and actions being taken.

2. HIGHLIGHT REPORT

ALERT / ESCALATE	<ul style="list-style-type: none"> Nothing of note to report
ADVISE	<ul style="list-style-type: none"> The Remuneration Committee approved arrangements to end a fixed term contract. Arrangements regarding a Consultant Consolidation Payment was noted by the committee.
ASSURE	<ul style="list-style-type: none"> Nothing of note to report
INFORM	<ul style="list-style-type: none"> Nothing of note to report
APPENDICES	NOT APPLICABLE

TRUST BOARD

MARCH PMF COVER PAPER

DATE OF MEETING	08/06/21
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PUBLIC OR PRIVATE REPORT	Public
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IF PRIVATE PLEASE INDICATE REASON	Not Applicable - Public Report
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PREPARED BY	Anna-Marie Jones, Business Support Manager
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PRESENTED BY	Cath O'Brien, Interim Chief Operating Officer
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EXECUTIVE SPONSOR APPROVED	Cath O'Brien, Interim Chief Operating Officer
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REPORT PURPOSE	FOR DISCUSSION / REVIEW
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COMMITTEE/GROUP WHO HAVE RECEIVED OR CONSIDERED THIS PAPER PRIOR TO THIS MEETING		
COMMITTEE OR GROUP	DATE	OUTCOME
EXECUTIVE MANAGEMENT BOARD	04/05/21	Discuss & Review

ACRONYMS	
VUNHST	Velindre University NHS Trust
UHB	University Health Board

VCC SMT	Velindre Cancer Centre Senior Leadership Team
WB S	Welsh Blood Service Senior Management Team
SMT PADR	Performance Appraisal and Development Review
KPIs	Key Performance Indicators
SACT	Systemic Anti-Cancer Therapy
WTE	Whole Time Equivalent (staff)
EMB	Executive Management Board

1. SITUATION/BACKGROUND

- 1.1 The attached Trust performance reports provide an update to the Trust Board with respect to Trust-wide performance against key performance metrics through to the end of March 2020 for the Velindre Cancer Centre, the Welsh Blood Service and for VUNHST Corporate Services respectively.

2. ASSESSMENT / SUMMARY OF MATTERS FOR CONSIDERATION

- 2.1 The reports set-out performance at Velindre Cancer Centre (**appendix 1**), the Welsh Blood Service (**appendix 2**) and in relation to Trust-wide staff absence, PADR compliance and staff sickness (**appendix 3**). Each report is prefaced by an 'at a glance' section which is intended to draw attention to key areas of performance across the Trust. A number of areas from VCC and WBS reports are highlighted below.
- 2.2 The divisional performance reports were initially presented to the WBS Senior Management Team (SMT) and VCC Senior Leadership team (SLT) and have been reviewed by the Chief Operating Officer at the performance review meetings on the 21st and 22nd of April 2021.
- 2.3 As this month marks the end of the financial year there is an opportunity to reflect on the 20/21 year and note that both divisions have managed to sustain service delivery in the most challenging environment of the Covid 19 pandemic.

2.4 Velindre Cancer Centre:

Below we have provided an update on a number of targets. The Patient Experience KPI remains paused based on the absence of key staff and while we work to implement the new experience platform. The KPI on 'outpatients waiting more than 20 minutes' remains with a root cause of this being the need for some patients to come to VCC for blood tests and wait for them to be available before their appointment.

2.4.1 Radiotherapy Waiting Times

The Radiotherapy target for radical and palliative therapy was close to being achieved March (target is 98% and we achieved 92%). The reasons are patient numbers are increasing (12% higher than last month). The system challenge is in treatment planning, particularly in delineation. We have recognised that we need to review the pathway and make some adaptations to the system. To enable this a project plan has been developed and is being actively managed. This includes developments in how we track patients through the pathway and a new role has been introduced to facilitate this pending. In addition a number of clinical staff are still unable to provide patient facing care due to Covid and we are continuing with our review on workforce requirements. One of the linear accelerator remains stood down and a second has been dedicated to the treatment of COVID positive or suspected-positive patients. The target for emergency radiotherapy was met.

Radiotherapy target time for treatment with palliative intent as used at VCC has been described as best practice by the Joint Collegiate College for Oncology (JCCO), the co-ordinating, inter-collegiate body for non-surgical oncology in the United Kingdom. This target has been in use for some time (early- to mid-nineties) and is currently 14 days. Palliative Intent is defined as using radiotherapy to symptom control rather than cure. It does this by shrinking the cancer, slowing down its growth and relieves symptoms.

More recently the Clinical Oncology Sub-Committee, which is a scientific advisory committee of Welsh Government, has defined a new suite of time to radiotherapy measures. As of April 2021, there has been a change in requirements for us to report against these new measures and this has been included in the VCC monthly performance report (COSC data) from April that will feed through to Board via Quality, Safety and Performance Committee.

The new suite of measures does not include a definition of treatment with palliative intent. This change reflects the fact that palliative treatments can now be as complex to plan and deliver as radical treatments. As a result of this change Consultants will be able to categorise patients of palliative intent as Scheduled (treatment within 21 days) or Urgent (treatment within 7 days) as deemed clinically appropriate for each individual. Therefore

all Radical patients will be considered as scheduled and palliative patients will fall into either scheduled or urgent categories. On the face of it, this might mean longer waits for some patients, but this better reflects contemporary practice in radiotherapy and is appropriate. It is our intention to brief the Board with information on the changes and the impact for VCC and the work that we are taking forward on ensuring that we work rapidly towards these targets. We will report both sets of data in the interim.

2.4.2 SACT Waiting Times

Although the target was not met it has increased by 11% from last month to 88%, so it's moving in the right direction. To ensure that all emergency SACT provision is enabled, we had reserved treatment slots, which did impact on other provision, however with further experience we have now found an optimum number we need for that. The number of breaches are down from 81 to 42 with only 2 patients waiting more than 28 days. We are continuing to plan the return to outreach provision at Neville Hall with Aneurin Bevan UHB. Overall demand continues to exceed pre-COVID levels and our ability to respond is restricted by limitations to Pharmacy Technical Services capacity, chair capacity and pre-assessment clinic. Plans are progressing on establishing additional capacity including recruitment of additional staff. Emergency SACT patients were all treated within the target time.

2.4.3 Outpatient waiting times

This is currently the only area that is reporting red, with a mean waiting time of 27.2 minutes (target is 20 minutes). Patient attendance for phlebotomy prior to appointment is a factor in this. A multidisciplinary team is reviewing the model for requesting blood tests to streamline the pathway. Discussions are underway to repatriate outpatient outreach and Phlebotomy services to Health Boards and this will help alleviate the situation too.

The number of attendances in the Op department will be reduced with the introduction of phlebotomy in the radiotherapy department. This should be in place by the end of April. In addition we are looking at extending days and capacity plus moving the phlebotomy clinic to a different location. This is work in progress and we are currently carrying out an options appraisal working closely with the estates team.

2.4.4 Other areas

Falls - During March 2021 there was 1 inpatient fall reported, which was considered unavoidable. A full investigation was undertaken and was considered by the falls scrutiny panel. As part of our future planning we aim to carry out a detailed review of all the falls in the previous year.

Patient Experience - A new national patient experience system Civica will start as a pilot on the first floor around May/June.

Pressure Ulcers – There were no Velindre acquired pressure ulcers in March

Healthcare Associated Infections – There were no infections in this period.

Further detailed performance data is provided in **Appendix 1**.

2.5 Welsh Blood Service

WBS has again delivered well against all targets within the context of the constraints and challenges of the pandemic. Those areas that are not reaching their key performance indicator are only just below and are impacted by the current situation

In March, all stock groups were maintained above 3 days and stock levels are balanced across all groups. Red Cell stock was equal to 6.6 days and all clinical demand for red cells and platelets was met. Demand has returned to just 5% below pre Covid 19 levels from levels of down 10 to 15% in 2020.

We are continuing to balance the access to venues where we can operate within IPC requirements with our aim to return to as many communities as possible.

Further detailed performance data is provided in **Appendix 2**.

Recruitment of new bone marrow volunteers

The inability to hold whole blood donation clinics in schools and universities has hindered the recruitment of new bone marrow volunteers, meaning the target of 4000 donors for 2020/21 was not achieved. The shortfall was 1001. A new donor recruitment and retention strategy for bone marrow volunteers is being developed for completion by the end of quarter 1.

Recruitment of new Blood donors

At the end of quarter 4, the number of new whole donors completing a donation remained below the performance target set for the year. This is reflective of the position in quarter 2 and quarter 3. This can be accounted for by the impact of COVID on the collection model as outlined above. We continue to focus on recruitment of new platelet donors with successfully achieving recruitment in excess of target.

Red Cell and Platelet Demand

All demand for red cells and platelets was met. This is the result of agile working between the Collections and Laboratory teams so they can react quickly to variations of stock levels and service needs.

Reference Serology Testing

Turnaround times for specialist referrals in March was below target of 80% at 68%. It should be noted that workload remains high when compare to the average in 2020 (219 referrals versus 181). Work is being prioritised based on clinical need and all compatibility testing is completed within the required timeframe. A review of complex patient referral will be completed as part of the lab modernisation project and is intended for completion by the end of Quarter 1

2.5.1 Quality

Performance in March was below target, with 88% of quality incidents closed within the required 30 days. But the good news is that this was 6% increase in performance from the previous month. In order to distinguish between the severity of incidents a revised process for managing low-impact incidents has been developed. This will ensure that there are more resources to focus on the timely investigation of more serious incidents. The revised process is will go live this month.

Donor Satisfaction

Overall donor satisfaction continued to exceed target at 95.5%. In total there were 1103 respondents, who had made a full donation and shared their donation experience, 208 were from North Wales and 895 were from South Wales (where location was able to be defined).

Five concerns (0.05%) were reported within this period – four were managed as early resolution and one was manager under a formal process. The themes identified included lack of understanding around a donors gender; communication; staff attitude and behavior; current guidelines during the Covid pandemic

3.0 Workforce & Wellbeing

Overview of Key Performance Indictors for Sickness, PADR, Statutory and Mandatory training in all Divisions of the Trust, including Corporate Divisions, TCS and Research and Development (excluding hosted).

The report provides a 12 monthly trend report for Sickness, PADR, Statutory and Mandatory training.

Hotspots identified, with in month actions to explain improvement trajectory work. Hotspots defined as areas where KPIs are not met and there has been a downward trend over the last three months.

In month Job Planning figures with narrative to notify areas of improvement.

Detailed performance data is provided in **Appendix 3**.

4.0 IMPACT ASSESSMENT

QUALITY AND SAFETY IMPLICATIONS/IMPACT	Yes (Please see detail below)
	The current performance reporting and monitoring system is predicated upon identifying performance issues and supporting effective decision making at service and operational levels to drive forward continuous improvement in quality, safety and the overall experience of patients and donors.
RELATED HEALTHCARE STANDARD	Governance, Leadership and Accountability
	If more than one Healthcare Standard applies please list below: <ul style="list-style-type: none"> • Staff and Resources • Safe Care • Timely Care • Effective Care.
EQUALITY IMPACT ASSESSMENT COMPLETED	Yes
LEGAL IMPLICATIONS / IMPACT	There are no specific legal implications related to the activity outlined in this report.
FINANCIAL IMPLICATIONS / IMPACT	Yes (Include further detail below)
	Delivery against the performance metrics presented in the attached reports and the work associated with delivering improved performance supports sound financial governance across the Trust.

5.0 RECOMMENDATION

- 5.1 The Trust Board is asked to **DISCUSS** and **REVIEW** the contents of the attached performance reports.

Velindre Cancer Centre Monthly Report



At a Glance Highlights - March 2021

During March 2021 there were 14 KPIs that were green, 3 that were amber and 1 that was red. For emergency radiotherapy waiting times we are reporting green, with radical and palliative radiotherapy waiting times reporting Amber. For SACT, emergency waiting times was green, however, non emergency was amber as a result of insufficient capacity to meet all patient categories. The quality indicators demonstrated compliance with all measures reporting green. Therapy services continue to deliver high performance achieving green for all waiting times targets. The only red area being reported is patients waiting in outpatients for longer than 20 mins, which is impacted by the volume of patients resulting from the centralisation of outreach into VCC.

To note: Patient Experience Monitoring has temporarily ceased due to staff shortage.




High level Summary of Achievement

- % of patients receiving radical radiotherapy within 28-days.
- % of patients receiving palliative radiotherapy within 14-days.
- % of patients receiving emergency radiotherapy within 2-days.
- % of patients receiving non-emergency SACT treatment within 21-days.
- % of patients receiving emergency SACT treatment within 5-days.
- % of therapies inpatients seen within 2 working days.
- % of urgent therapies outpatient referrals seen within 2 weeks.
- % of routine therapies outpatient referrals seen within 6 weeks.
- % of outpatients seen within 20 minutes.
- % outpatient DNA rates.
- Number of avoidable hospital acquired thrombosis (HAT).
- Number of delayed transfers of care (DToC's).
- Number of VCC acquired avoidable pressure ulcers.
- Number of pressure ulcers reported to Welsh Governments as serious incidents.
- Number of VCC inpatient falls.
- Number of VCC acquired healthcare associated infections.

- % of patients who receive a diagnosis of sepsis and receive all 6 treatment elements within 1 hour.
- % of patients who rated experience at Velindre as 9 out of 10 or above.
- % clinical coding within 1 month.

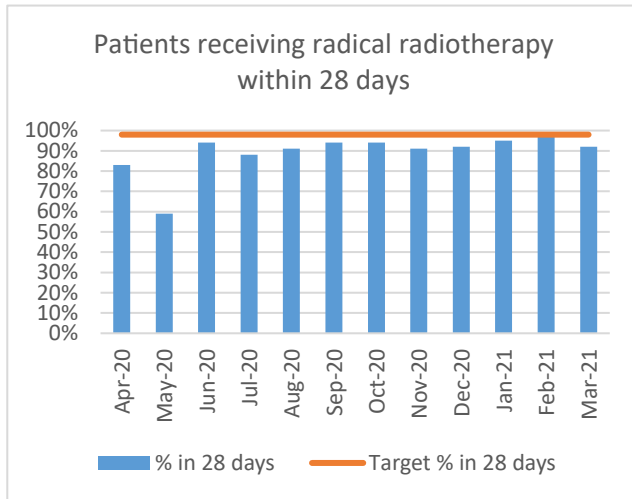
RAG rating above indicates: Green - Target was achieved. Amber - 85% Compliance or above Red - Target Not achieved

The detailed performance information is reflected in the pages that follow with the arrows below describing changes to target attainment for individual targets relative to the previous month

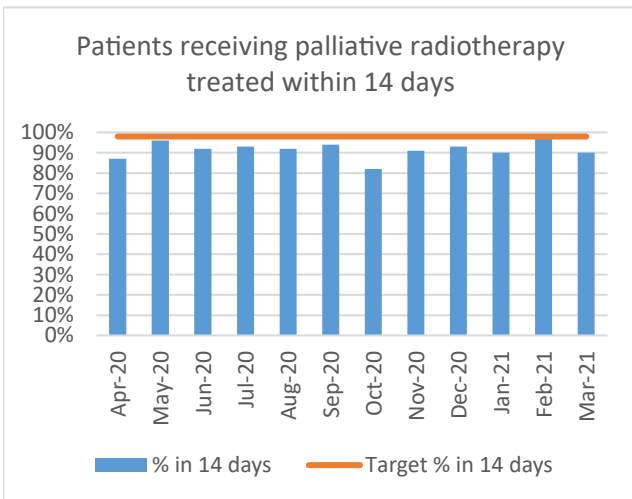
-  Performance against 2 KPIs improved relative to performance in the previous month.
-  Performance against 4 KPIs fell below performance in the previous month.
-  Performance against 12 KPIs remained unchanged. Of these, all 12 KPIs met or were above target.

Equitable and Timely Access to Services - Radiotherapy

Mar-21



Last month Target Not Achieved

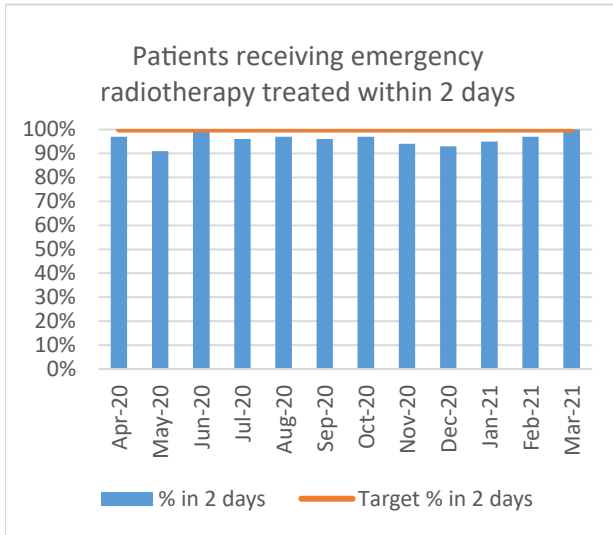


Last month Target Not Achieved

Target: 98%	SMT lead: Radiotherapy Services Manager	
Reason for performance:	Actions being taken to improve performance:	Expected completion date:
<p>Radical: Demand for radiotherapy services has increased by 39 (12%) from February's referral number of 311 with 350 new patient referrals received in March. In light of the COVID pandemic, a number of clinical staff are unable to provide patient facing care. To ensure a robust service and patient safety, a linear accelerator (linac) has been stood down and capacity on a second has been dedicated to the treatment of COVID positive or suspected-positive patients. Such changes have reduced available linac capacity and impaired the service's overall flexibility.</p> <p>208 patients were referred for treatment with radical intent. 16 did not begin treatment within 28-days (performance rate of 92%).</p> <p>Of these 16 patients:</p> <ul style="list-style-type: none"> • 1 was as a result of a requested delay for new treatment modality, • 1 was a result of replan required, • 1 was a result of IRMER process, • 2 were as a result of plan complexity • 2 were as a result of capacity for SRS• 9 were due to delayed delineation or authorisation of plan. <p>Of the 16 patients 9 were treated within 35 days, 2 were treated within 40 days, 3 were treated within 45 days and 2 treated within 55 days</p> <p>Palliative: 112 patients were referred for treatment with palliative intent, an increase of 26 (30%) from the February referrals of 86. 11 did not begin treatment within 14-days (performance rate of 90%). Of these 11 patients:</p> <ul style="list-style-type: none"> • 1 was as a result of change of intent • 2 were as a result of clinician availability to mark up on time • 8 were attributed to timeliness of production of 3D plan. <p>Of the 11 patients, 9 were treated within 20 days, 3 were treated within 25 days and 1 began treatment on day 26.</p>	<p>A1: Radiotherapy short- and long-term workforce requirements under review. A2: Further demand modelling sessions scheduled. Aim is to maximise the service's ability to anticipate and to react to changes in demand for radiotherapy. A3: Review of pathway management process and meeting structure to be conducted by SMT leads, to ensure appropriate patient tracking, escalation and remedial action is undertaken. A4: Project initiation document being prepared within Radiation services to identify process issues and ensure timely delineation of plans. This follows a joint discussion with SBUHB who have recently addressed pathway issues related to this process. A5: Performance against novel Clinical Oncology Sub-Committee (COSC) time-to-radiotherapy measures to be reported. A6: Dedicated full time patient pathway tracking resource being advertised, which will provide patient level prospective tracking and escalation of patients awaiting treatment at all steps from Outpatients through to treatment.</p>	<p>E1: May 2021</p> <p>E2: April 2021</p> <p>E3: May 2021</p> <p>E4: May 2021</p> <p>E5: May 2021</p> <p>A6: June 2021</p>

Equitable and Timely Access to Services - Radiotherapy (Cont.)

Mar-21



Last month

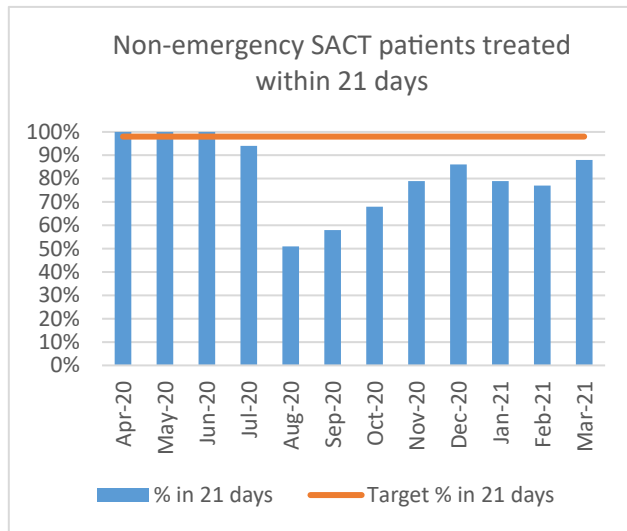


☒ Target Achieved

Target: 98%	SMT lead: Radiotherapy Services Manager	
Reason for performance:	Actions being taken to improve performance:	Expected completion date:
29 patients were referred for emergency treatment which was a reduction of 2 (7%) from the February number of 31. All 29 of which recieved treatment within 2-days (performance 100%).	A1: Due to the increase in non Radiotherapy service breach reasons, the Site Specific Team (SST) leadership team to be more formally engaged in providing remedial actions monthly.	E1: Instigated in November 2020, now ongoing.

Equitable and Timely Access to Services - Non-Emergency Systemic Anti-Cancer Therapy (SACT)

Mar-21



Last month

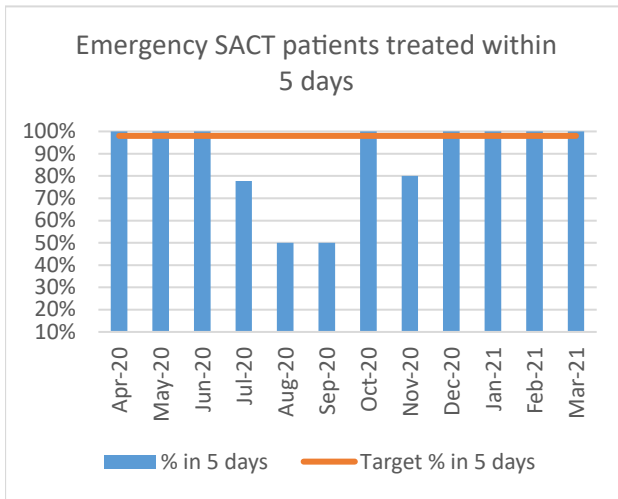


Target Not Achieved

Target: 98%	SMT lead: Chief Pharmacist	
Reason for performance:	Actions being taken to improve performance:	Expected completion date:
<p>351 new patients referred for non emergency SACT began treatment in March 2021. This represented a reduction of 8 (2%) relative to February when 359 new patients began treatment. Overall demand continues to exceed pre- COVID levels. The service's ability to respond to this increased demand is restricted by limitations to Pharmacy Technical Services capacity, chair capacity and pre-assessment clinic capacity. There has been, however a significant improvement in Performance for March with the numbers of patients treated outside of target reducing to 42 from 81 in February. This has seen an increase in performance to 88% in March, up from 77% in February. This has been achieved by improving the flow and booking of patients, as the ring fencing to protect emergency capacity is finding its optimum efficiency. We are as a result, building in an optimum level of overbooking to improve chair utilisation. We have also improved the longest waiting times for patients with only 2 waiting over 28 days, down from 20 in February.</p>	<p>A1: Patient pathway under review. Key issues restricting flow and/or capacity will be identified and mitigating steps implemented. This will include aseptic manufacture, SACT chair utilisation, workforce and other issues.</p> <p>A2: Nursing staff redeployed from inpatient contexts, as required, to maintain SACT delivery capacity. This is a response to rising demand and capacity challenges and ensures robust service provision.</p> <p>A3: Ongoing discussions with Aneurin Bevan UHB to firm up plans to reopen Neville Hall SACT delivery capacity.</p>	<p>E1: April 2021</p> <p>E2: May 2021</p> <p>E3: May 2021</p>

Equitable and Timely Access to Services - Emergency Systemic Anti-Cancer Therapy (SACT)

Mar-21



Last month

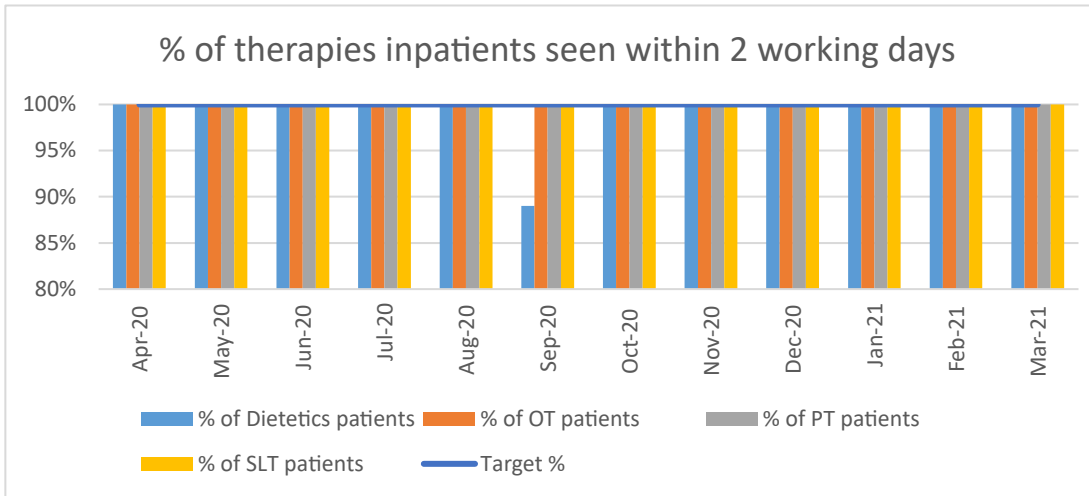


Target Achieved

Target: 98%	SMT lead: Chief Pharmacist	
Reason for performance:	Actions being taken to improve performance:	Expected completion date:
There were 8 referrals for emergency SACT in March which was a 166% increase on the February number of 3. This target has been achieved with all 8 referrals for emergency SACT being treated within 5 days.	A1: Clinical prioritisation process in place and ring fencing of emergency chair capacity.	E1: In place and active.

Equitable and Timely Access to Services - Therapies (Inpatients)

Mar-21



Dietetics - last month

OT - last month

PT - last month

SLT - last month

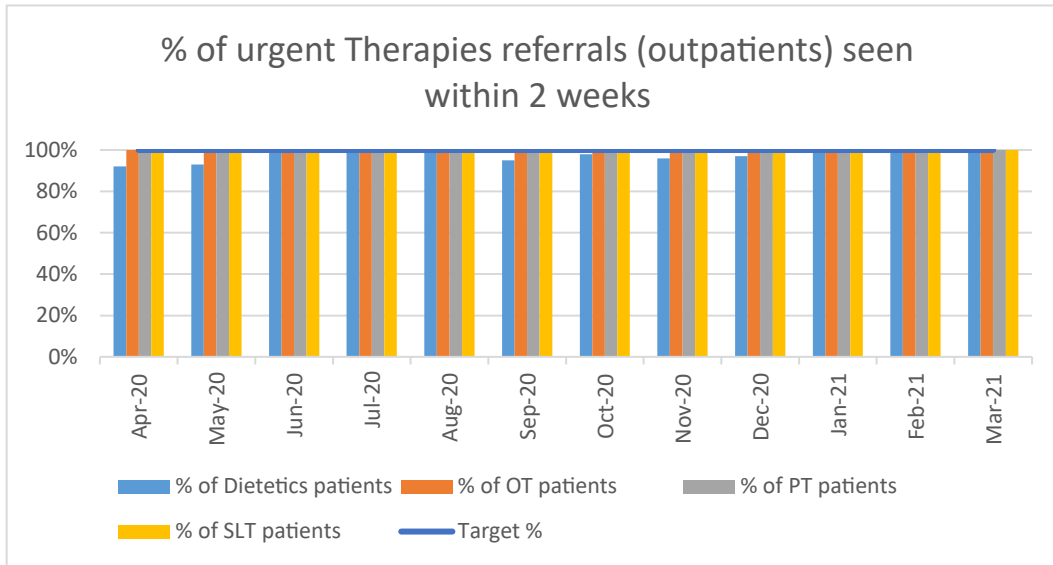


☒ Target Achieved

Target: 100%	
Reason for performance:	
Performance was on target for March 2021.	
SMT lead: Therapies Manager	
Actions being taken to improve performance:	Expected completion date:

Equitable and Timely Access to Services - Therapies (Outpatients) Urgent Referrals Seen Within 2 Weeks

Mar-21



Dietetics - last month

OT - last month

PT - last month

SLT - last month



☒ Target Achieved

SMT lead: Therapies Manager

Actions being taken to improve performance:

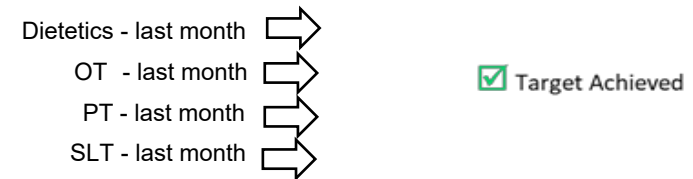
Expected completion date:

Target: 100%

Reason for performance:

Performance was on target for March 2021.

Mar-21



Target: 100%
Reason for performance:
Performance was on target for March 2021.

Equitable and Timely Access to Services - Outpatient Waiting Times

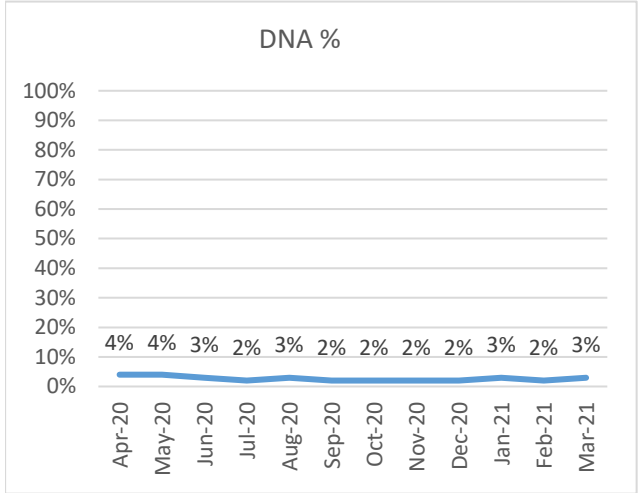
Mar-21


Target: <20 minutes	SMT lead: Head of Nursing	
Reason for performance:	Actions being taken to improve performance:	Expected completion date:
<p>In March 2021:</p> <p>49% of patients were seen within 20 minutes of their scheduled appointment.</p> <p>57% were seen within 30 minutes</p> <p>The mean waiting time was 27.2 minutes</p> <p>The average for the last 12 months is 55% of patients seen within 20 minutes</p> <p>** N.B. ** This data is obtained from a manual data collection exercise undertaken by nursing staff for one week each month. This can result in, some clinic & W/T data not being fully captured.</p> <p>Therefore, this data only provides a snap shot of W/T information.</p> <p>This data also only includes patients who have a face-to-face attendance as we are unable to capture and report this data for virtual appointments</p>	<p>A1: Radiotherapy specific phlebotomy service to be introduced within radiotherapy department. Implementation will reduce foot-fall in the Outpatients department</p> <p>A2: Utilisation of phlebotomy appointment times following introduction of extended days, etc. to be actively reviewed. Review will seek to ensure most efficient use of capacity.</p> <p>A3: Use of large modular building to provide extra phlebotomy capacity following completion of COVID-19 vaccination programme to be explored.</p> <p>A4: Project to relocate phlebotomy service to an alternative location within the VCC estate in progress. Relocation will release physical capacity within the Outpatient department.</p> <p>A5: Discussions underway to repatriate outpatient outreach and Phlebotomy services to Health Boards.</p> <p>A6: Multidisciplinary team to review model in place at VCC for phlebotomy requesting and blood results requirements.</p>	<p>E1: 30 April 2021</p> <p>E2: 15 May 2021</p> <p>E3: 30 April 2021</p> <p>E4: 31 May 2021</p> <p>E5: 31 May 2021</p> <p>E6: 30 June 2021</p>

Last month



Target Not Achieved



Last month 

☒ Target Achieved

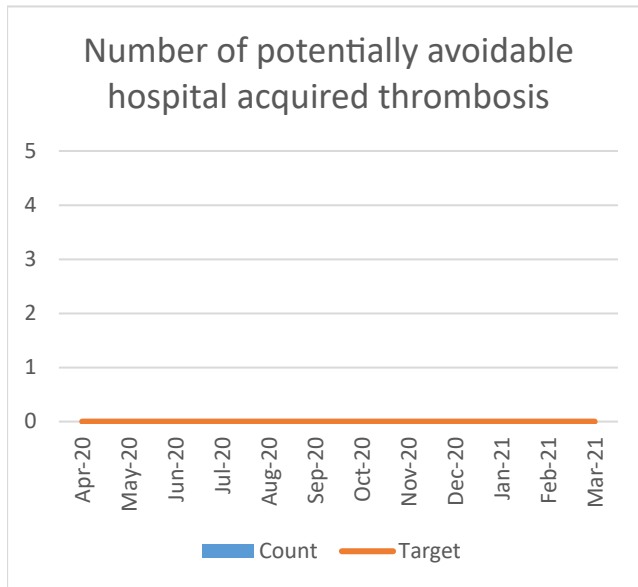
Outpatients - Did Not Attend (DNA) Rates

Mar-21

Target: <5%	SMT lead: Head of Nursing	
Reason for performance:	Actions being taken to improve performance:	Expected completion date:
Performance was on target for March 2021.		

Safe and Reliable Services - Potentially Avoidable Hospital Acquired Thrombosis (HAT)

Mar-21



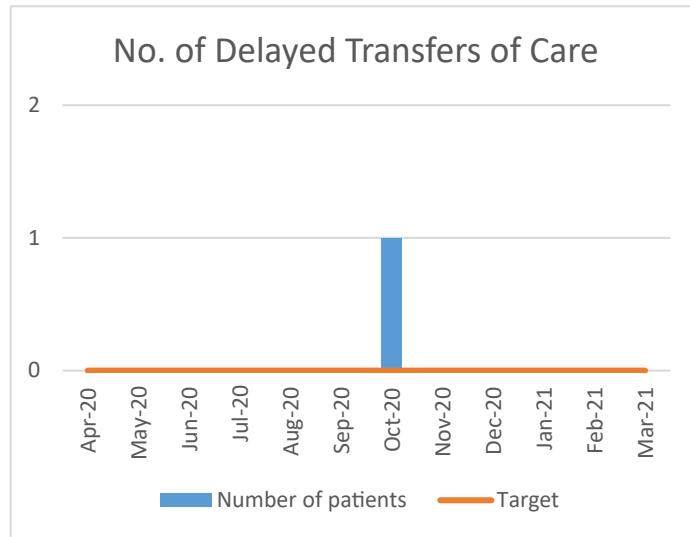
Last month →

☑ Target Achieved

Target: zero	SMT lead: Clinical Director	
Reason for performance:	Actions being taken to improve performance:	Expected completion date:
Performance was on target for March 2021.		

Safe and Reliable Services - Delayed Transfers of Care (DToC's)

Mar-21



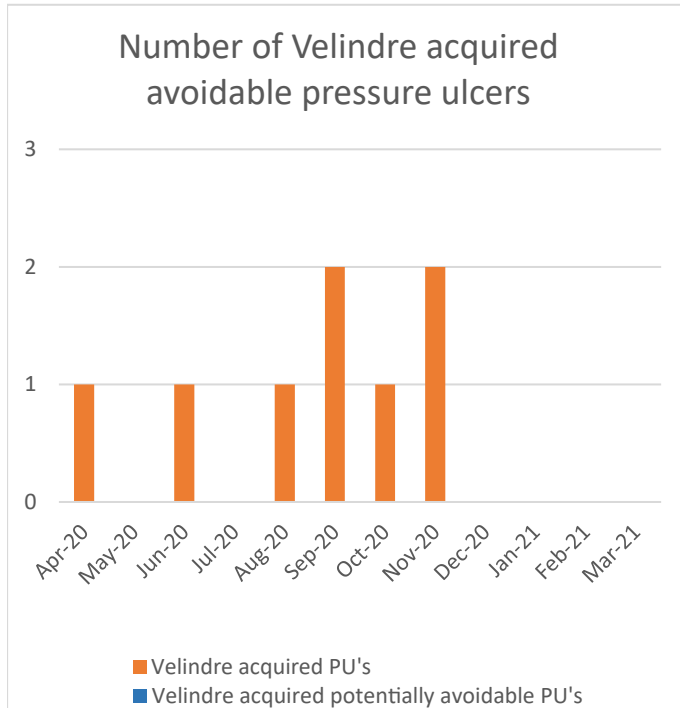
Last month →


✅ Target Achieved

Target: zero	SMT lead: Head of Nursing	
Reason for performance:	Actions being taken to improve performance:	Expected completion date:
Performance was on target for March 2021.		

Safe and Reliable Services - Velindre Acquired Potentially Avoidable Pressure Ulcers

Mar-21

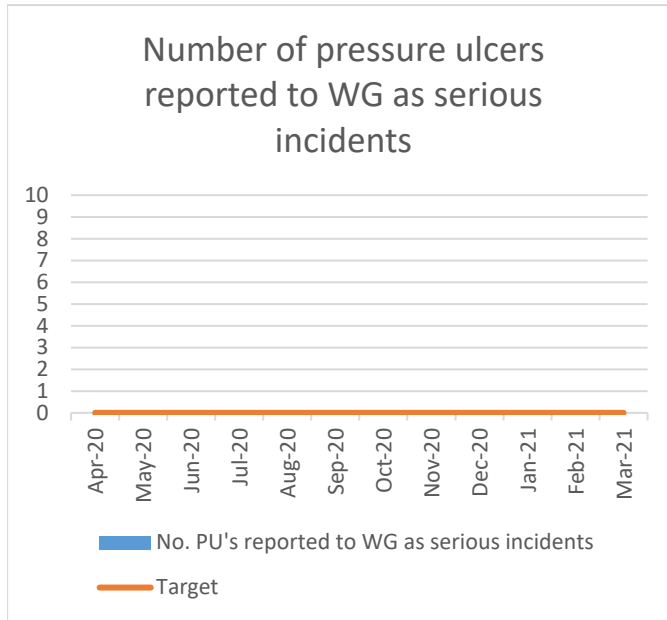


Last month   Target Achieved

Target: zero pressure ulcers	SMT lead: Head of Nursing	
Reason for performance:	Actions being taken to improve performance:	Expected completion date:
During March 2021, there were 0 Velindre acquired pressure ulcers reported on first floor ward	A1: The Pressure Ulcer Scrutiny Panel is responsible for monitoring the implementation of any agreed actions or recommendations.	E1: In place and active

Safe and Reliable Services - Number of Pressure Ulcers Reported to Welsh Government (WG) as Serious Incidents (SI)

Mar-21



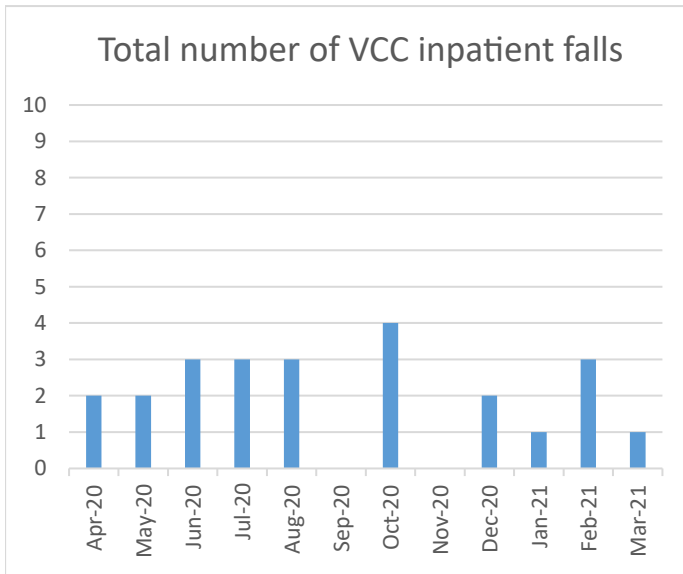
Last month →

✓ Target Achieved

Target: zero	SMT lead: Head of Nursing	
Reason for performance:	Actions being taken to improve performance:	Expected completion date:
There were no Velindre acquired pressure ulcers in March, therefore none reported to the Welsh Government as serious incidents.		

Safe and Reliable Services - Falls

Mar-21



Last month →

✓ Target Achieved

SMT lead: Head of Nursing	
Reason for performance:	Actions being taken to improve performance:
<p>During March 2021 there was 1 fall reported on first floor ward.</p> <p>The number of patients affected is 1.</p> <p>A full investigation was undertaken and has been considered by the falls scrutiny panel. The patient who had full mental capacity, gave a clear account of the events, that she fell in the shower whilst bending over to pick something up and did not call for assistance. Following a full investigation and discussion at the falls scrutiny panel, this fall was deemed as unavoidable. Good practice and lessons learned, however, continue to ensure risk is minimised in the future.</p>	<p>Expected completion date:</p> <p>1-4) Completed.</p> <p>5) Falls Review by June 2021.</p>

Safe and Reliable Services - Healthcare Associated Infections (HCAIs) (Velindre-acquired only)

Mar-21

Number of Velindre-acquired infections:

C.diff infections = 0

MRSA infections = 0

MSSA infections = 0

E.coli infections = 0

Klebsiella infections = 0

Pseudomonas Aeruginosa infections =

Target: 0 infections	SMT lead: Clinical Director	
Reason for performance:	Actions being taken to improve performance:	Expected completion date:
Performance was on target in March.	<p>The infection prevention and control team review all infections, whether Velindre acquired or not, and undertake root cause analysis in conjunction with the clinical teams to review cause/ trends and identify any lessons learned.</p> <p>The Infection Prevention and Control management group is responsible for monitoring the implementation of any agreed actions or recommendations.</p>	

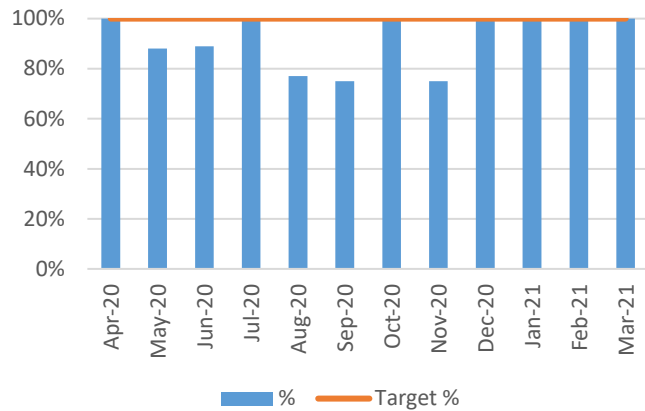
Last month   Target Achieved

Annual figures for Velindre-acquired infections:												
	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
<i>C.Diff</i>	1	0	0	0	0	1	0	0	0	1	0	0
<i>MRSA</i>	0	0	0	0	0	0	0	0	0	0	0	0
<i>MSSA</i>	0	0	0	0	0	0	0	0	0	0	0	0
<i>E.Coli</i>	0	0	1	1	0	0	0	0	0	0	0	0
<i>Klebsiella</i>	0	0	0	0	0	0	0	0	0	0	0	0
<i>P. Aeruginosa</i>	0	0	0	0	0	0	0	0	0	0	0	0

**Safe and Reliable Services - % of patients who receive a diagnosis of sepsis and receive all 6 elements of treatment within 1 hour
(newly presenting patients only)**

Mar-21

% of patients with NEWS score ≥ 3
that receive all 6 elements in
required timeframe



Last month →

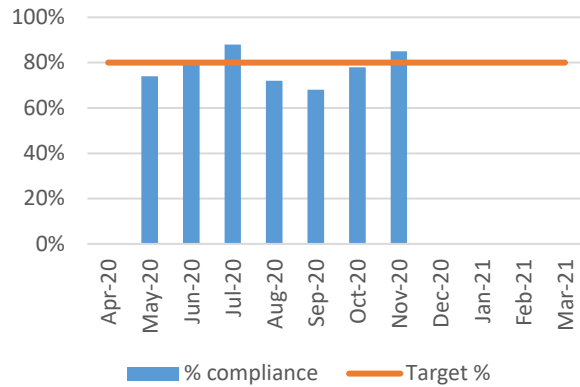
✓ Target Achieved

Target: 100%	SMT lead: Clinical Director	
Reason for performance:	Actions being taken to improve performance:	Expected completion date:
5 patients met the criteria for sepsis and all of these patients received all the relevant elements of the sepsis bundle within one hour.		

First Class Patient Experience

Mar-21

% of patients who rate experience at Velindre as 9 or above



Last month

Target: 80%	SMT lead: Director of Operations	
Reason for performance:	Actions being taken to improve performance:	Expected completion date:
<p>The VCC Patient Experience lead is unexpectedly off work. Due to the on-going demands of the response to the COVID-19 pandemic, we are unable to back-fill into the post. The Executive Team and VCC Senior Management Team have jointly agreed to temporarily pause activity given pandemic imposed pressures. This will recommence upon the return of the post holder.</p>	<p>The Trust has procured the All Wales Patient Experience system – CIVICA. Project meetings established. Awaiting set up meeting with CIVICA to confirm roll out timeframes. Anticipated to commence roll out on First Floor Ward in June 2021.</p>	

Concerns:

The Trust Board's Quality and Safety Committee receive a report on the detail of all concerns received.

Themes included:**Formal Concerns:**

Clinical Treatment / Assessment – Unhappy with clinical opinion/diagnosis
 Clinical Treatment / Assessment – Delay in receiving treatment
 Clinical Treatment / Assessment – Eligibility : Follow up clinical care
 Clinical Treatment / Assessment – Delay in receiving treatment

Early Resolutions

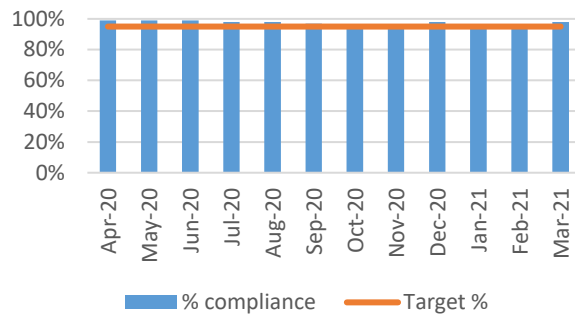
Infection Control – Failure to disinfect arm
 Clinical Treatment / Assessment – Communication

Type of concern	No.
Early Resolution	2
PTR (formal concern)	4
Claims & Redress	0

Information - Clinical Coding

Mar-21

% of episodes clinically coded
within 1 month post episode
end date



Last month → ☒ Target Achieved

Target: 95%	SMT lead: Head of IM&T	
Reason for performance:	Actions being taken to improve performance:	Expected completion date:
Target Achieved 98%		

VCC Measures Glossary

Measure	Target	Monthly/Annual/Rolling	National/Local
Patients Receiving Radical Radiotherapy Within 28 Days	98% or greater	Monthly	Local (Based on RCR Guidance)
Patients Receiving Palliative Radiotherapy Within 14 Days	98% or greater	Monthly	Local (Based on RCR Guidance)
Patients Receiving Emergency Radiotherapy Within 2 Days	98% or greater	Monthly	Local (Based on RCR Guidance)
Non-Emergency SACT Patients Treated Within 21 Days	98% or greater	Monthly	Local (Based on JCCO Guidance)
Emergency SACT Patients Treated Within 5 Days	98% or greater	Monthly	Local (Based on JCCO Guidance)
Percentage of Therapies Inpatients Seen Within 2 Days	100%	Monthly	Local
Percentage of Urgent Therapies Outpatients seen within 2 weeks	100%	Monthly	Local
Percentage of routine Therapies Outpatients Seen Within 6 Weeks	100%	Monthly	Local
Monthly Percentage of NPs, Ops and Chemo Assessment Appointments where patients were seen within 20 minutes of the scheduled appointment times	100%	Monthly	Local
Number of Potentially Avoidable Hospital Acquired Thrombosis	0	Monthly	Local (Adapted from NHS Wales Delivery Framework and Reporting Guidance which Requires Reporting on a Quarterly Basis)
Number of Delayed Transfers of Care	0	Monthly	National
Number of Velindre Acquired Pressure Ulcers	0	Monthly	Local
Number of Pressure Ulcers Reported to the Welsh Government as Serious Incidents	0	Monthly	Local (Adapted from NHS Wales Delivery Framework and Reporting Guidance)

VCC Measures Glossary - Cont.

Measure	Target	Monthly/Annual/Rolling	National/Local
Number of Velindre Acquired Healthcare Associated Infections	0	Monthly	National
Percentage of patients who receive a diagnosis of sepsis and receive all 6 elements of treatment within 1 hour (newly presenting patients only)	100%	Monthly	Local (Adapted from NHS Wales Delivery Framework and Reporting Guidance)
Death within 30 days of SACT	2.2%	Monthly	Local (based on NEPOD Audit Benchmark)
Percentage of patients who rate experience at Velindre as 9 or above	80%	Monthly	Local
Percentage of episodes clinically coded within 1 month post episode end date	98%	Monthly	Local (Adapted from NHS Wales Delivery Framework and Reporting Guidance)

Welsh Blood Service Monthly Report

March 2021



- All stock groups were maintained above 3 days. Stock levels are balanced across all groups -
Red Cell stock at the end of March was 2119, equal to 6.6 days
- All clinical demand for red cells and platelets was met.
- The number of CT requests for February was 23 (March not available): -12 donors were bled (55%) note: 1 cancelled by TC, 3 traced no response, 1 donor unwilling, 6 medical reject/failures.- 75% of samples were bled within 7 days
- Collection productivity continues to be below target, at 1.1 for March. However this is a 0.07 increase from February. Increase in appointment and decrease in DNA rates have contributed to this slight improvement in productivity.
- Production efficiency was slightly below target for March. This reflects a slightly improved staffing situation within Manufacturing. -
Time expired red cells are below the target of 1%. Red cell collections and demand very closely aligned with minimal wastage.
- Platelet expiry reduced in March following a planned reduction in platelet production and an increase in platelet issues to an average of 180 per week.
- Performance in March was below target, with 88% of quality incidents closed within the required 30 days. This indicates a 6% increase in performance from the previous month.
- There were no Serious Adverse Events (SAE) reported to the MHRA in March.
- The overall Part Bag rate has returned to within tolerance in March 2021 after an increase in February 2021.
- Overall donor satisfaction continued to exceed target at 95.5%. In total there were 1103 respondents, who had made a full donation and shared their donation experience
- 626 new donors completed a donation in March.
There were 11 new apheresis donors in March 2021, reaching 27 new donors for the quarter, +13 for the quarterly target.



8 Key Performance Indicators were above the previous month's performance



7 Key Performance Indicators remained the same as the previous month's performance, 6 achieved target.



7 Key Performance Indicators were down on the previous month's performance, however 4 achieved target..

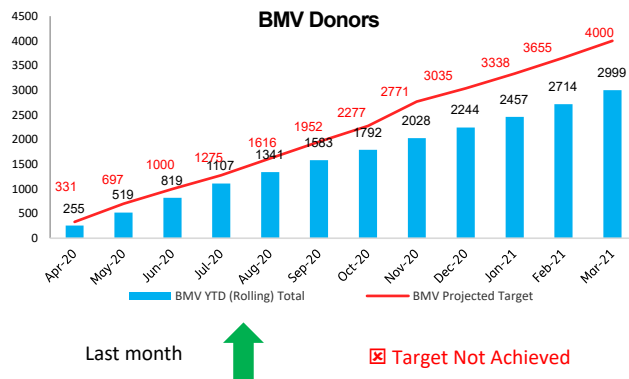
Reference Table

Measure	Target	Timeframe	National / Local
Number of new bone marrow donors aged 18-30 recruited to the Welsh Bone Marrow Donor Registry (WBMDR)	4,000	Annual	Local
Number of days when the Red Blood Cell (RBC) stockholding for O, A & B- fell below 3 days cover	0 days	Monthly	Local
Number of bags of RBCs manufactured as a % of the number of issues to hospitals (% Red Cell Demand Met)	100%	Monthly	Local
Number of bags of platelets manufactured as a % of the number of issues to hospitals (% Platelet Demand Met)	100%	Monthly	Local
Number of Confirmatory Tests (CTs) requested and bled as a % of the total CTs requested (Confirmatory Tests Bled)	65%	Monthly	Local
Number of Stem Cell Collections	80	Annual	Local
Number of antenatal patient results provided to customer hospitals within 3 working days from receipt of sample (Antenatal Turnaround Times)	90%	Monthly	Local
Number of samples referred for red cell reference serology work ups provided to customer hospitals within 2 working days. (Reference Serology Turnaround Times)	80%	Monthly	Local
% of Quality Incident Records (recorded in DATIX), closed within 30 days over a rolling 3 month period	90%	Rolling	Local
Number of critical non-conformances through external audits or inspections	0	Annual	Local
Number of Serious Adverse Blood Reactions & Events (SABRE) reported to the Medicines and Healthcare products Regulatory Agency (MHRA)	0	Annual	Local
Number of whole blood donations that are collected on session which are below the minimum viable volume, as a % of the total number of whole blood donations collected (% Part Bags)	3%	Monthly	Local
Number of donors where venepuncture is attempted to be performed on but no blood enters the bag, as a % of the number of donors who have reached the donation chair (% Unsuccessful Venepuncture)	2%	Monthly	Local
The number of blood components (weighted) collected per Standardised FTE (Blood Collection Efficiency)	1.25 WTE	Monthly	Local
Number of components manufactured per Standardised FTE. (Manufacturing Efficiency)	392	Monthly	Local
Number of platelets which have time expired as a % of the total number of platelets manufactured (Time Expired Platelets)	10%	Monthly	Local
Number of RBC units which become non-viable during the manufacturing process which could have been avoided, as a % of the number of complete whole blood donations (Controllable Manufacturing Losses)	0.5%	Monthly	Local
Number of bags of RBC, including Paediatric bags, which have time expired as a % of the total number of RBC bags manufactured (Time Expired Red Cells)	1%	Monthly	Local
Number of donors that scored 5 or 6 out of 6 (6 being totally satisfied and 1 being totally dissatisfied with their overall donation experience after they have been registered on clinic to donate (Donor Satisfaction)	71%	Monthly	Local
Number of 'formal' and 'informal' concerns received from blood donors	~	~	~
% of 'formal' concerns received and treated under 'Putting things Right Regulations within 30 working days	100%	Monthly	National
% of all concerns (formal and informal) acknowledged within 2 working days as required by the 'Putting things Right' Regulations	100%	Monthly	National
Number of new Whole Blood Donors recruited to the donor panel	2,750	Quarterly	Local
Number of new Apheresis Donors recruited to the donor panel	14	Quarterly	Local
Number of Deceased Donor Typing / Cross Matching reported within given period	80%	Quarterly	Local
Number of Anti D & -c Quantitation patient results provided to customer hospitals within 5 working days	90%	Quarterly	Local

Monthly Reporting

Equitable and Timely Access to Services

Mar-21

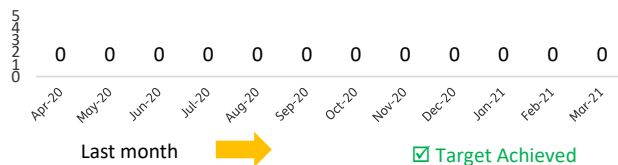


Annual Target: 4000		SMT Lead: Jayne Davey / Tracey Rees	
What are the reasons for performance?	Action(s) being taken to improve performance	By When	
There were 285 new bone marrow volunteers added to the Welsh Bone Marrow Donor Registry (WBMDR) in March. The inability to hold whole blood donation clinics in schools and Universities, has hindered recruitment of new BMV's	Develop a new donor recruitment and retention strategy for the WBMDR aligned with the development of the revised WBS strategic intent. The new Donor Recruitment & Retention Strategy will be informed by: - a review of the existing donor panel to assess the required growth; - a review of the outcomes of the new bone marrow pilot recruitment to provide proof of concept and operational readiness for a recruitment strategy that is not solely dependent on blood-donors.	By the end of Q1	

Safe and Reliable Service

Mar-21

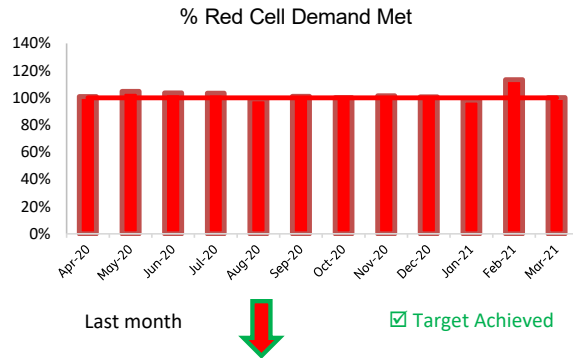
Number of days red cell stock level is below 3 days for groups O, A & B-



Monthly Target: 0		SMT Lead: Jayne Davey / Tracey Rees	
What are the reasons for performance?	Action(s) being taken to improve performance	By When	
All stock groups were maintained above 3 days. Stock levels are balanced across all groups. 75 A Neg red cells were imported to assist in maintaining this stock type above 3 days. Increased hospital demand, alongside COVID related collections constraints, was the cause for a reduced stock of this type.	Daily Resilience meetings are held in a collaboration of blood collection and manufacturing teams; this forum facilitates operational actions in response to challenges in maintaining adequate stock levels in order to minimise blood shortages. The Demand Planning Leadership Group was stopped in January.	Business as Usual	

Safe and Reliable service

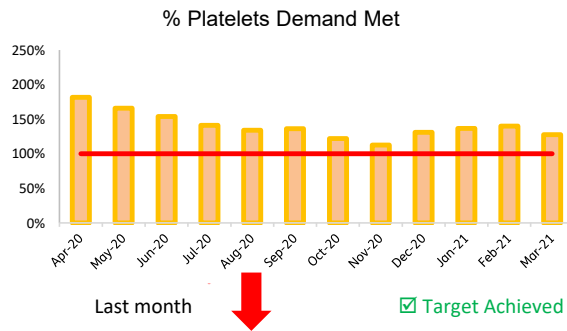
Mar-21



Monthly Target: 100%		
SMT Lead: Jayne Davey/ Tracey Rees		
What are the reasons for performance?	Actions(s) being taken to improve performance	By When
All demand for red cells was met. This is the result of established daily communications between the Collections and Laboratory teams enabling agile responses to variations of stock levels and service needs.	Daily Resilience meetings are held in a collaboration of blood collection and manufacturing teams; this forum facilitates operational actions in response to challenges in maintaining adequate stock levels in order to minimise blood shortages. The Demand Planning Leadership Group was stopped in January.	Business as Usual

Safe and Reliable service

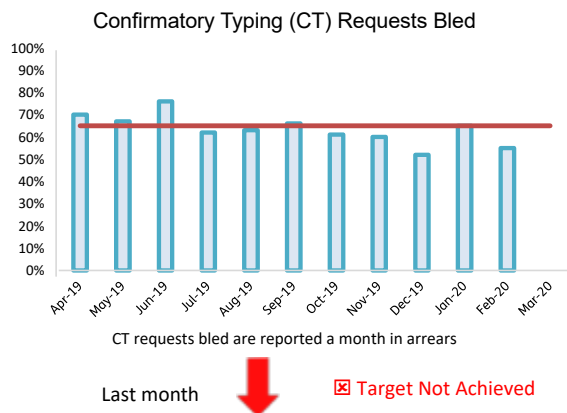
Mar-21



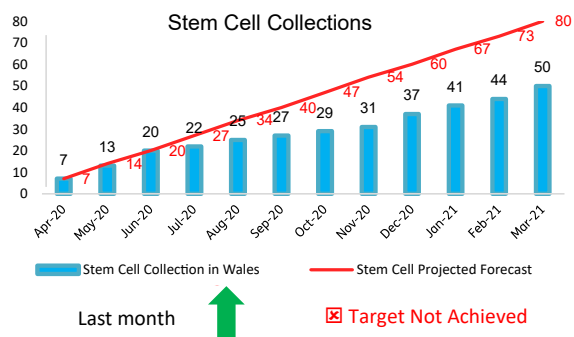
Monthly Target: 100%		
SMT Lead: Jayne Davey / Tracey Rees		
What are the reasons for performance?	Actions(s) being taken to improve performance	By When
All clinical demand for platelets was met. This is the result of established daily communications between the Collections and Laboratory teams enabling agile responses to variations of stock levels and service needs.		TBCCurrently on hold due to other priorities as a result of COVID

Safe and Reliable service

Mar-21



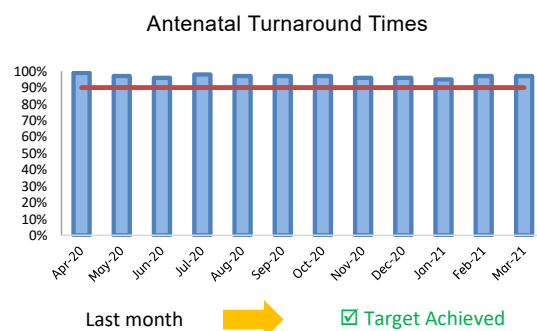
Monthly Target: 65%		
SMT Lead: Tracey Rees		
What are the reasons for performance?	Action(s) being taken to improve performance	By When
The number of CT requests for February was 23 (March not available): -12 donors were bled (55%) note: 1 cancelled by TC, 3 traced no response, 1 donor unwilling, 6 medical reject/failures. - 75% of samples were bled within 7 days - 100% of requests were completed within 14 days. (Industry KPI's are 50% and 80% respectively) - 86% of donors contacted .	We have an ongoing system to keep donor details up to date and will continue to review all cancellations to apply learning to future practice wherever possible. We are engaging with stakeholders to improve understanding around turnaround times for donor requests and improve transplantation options for patients.	Business as Usual



Safe and Reliable service

Mar-21

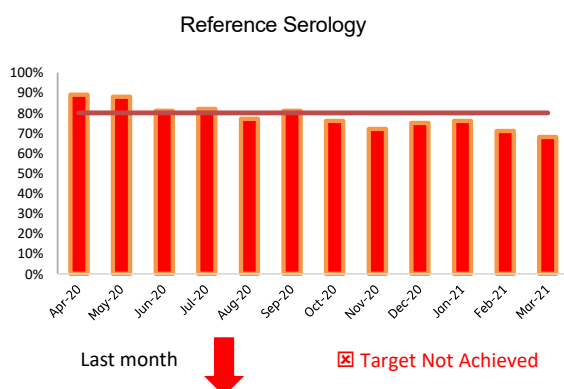
Annual Target: 80	SMT Lead: Tracey Rees	
What are the reasons for performance?	Action(s) being taken to improve performance	By When
<p>There were 6 Stem Cell Collections in March with YTD collections below target position.</p> <p>0 x PBL also Collected</p> <p>0 x Cancellations at work up stage.</p>	Define and agree future strategy for Stem Cell collection as part of wider review of future strategy for the WBMDR.	TBCdelayed due to COVID but will form part of the Collection Centre review



Safe and Reliable service

Mar-21

Monthly Target: 90%	SMT Lead: Tracey Rees	
What are the reasons for performance?	Action(s) being taken to improve performance	By When
<p>Turnaround times for routine Antenatal tests in March remained above target at 97%.</p> <p>Continued monitoring and active management is in place.</p>	Continuation of existing processes which are maintaining high performance against current target.	Business as Usual



Safe and Reliable service

Mar-21

Monthly Target: 80%	SMT Lead: Tracey Rees	
What are the reasons for performance?	Action(s) being taken to improve performance	By When
<p>Turnaround times for specialist referrals in March below target at 68%. Workload remains high (219 hospital patient referrals compared to average of 181 in 2020). Work being prioritised based on clinical need: All compatibility testing (>48% of referrals) completed to the required time/date.</p> <p>Non-urgent tests with no immediate impact on patient care are being performed as soon as possible and they are the main contributor for the percentage drop."</p>	<p>A review of complex patient referrals will be undertaken as part of a laboratory modernisation project which is currently being scoped. This will be supported by a benchmarking exercise to review current turnaround time KPIs with UK counterparts.</p> <p>The laboratory modernisation programme has been suspended due to COVID. It is anticipated this will recommence early Autumn 2020</p>	March 2021

Safe and Reliable service

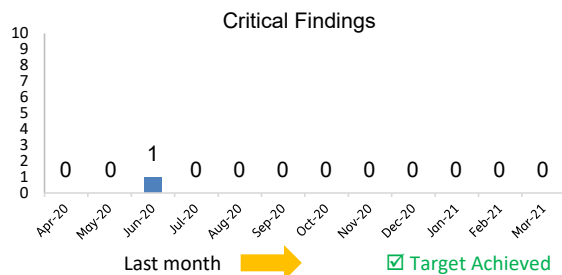
Mar-21



Monthly Target: 90%	SMT Lead: Peter Richardson	
What are the reasons for performance?	Action(s) being taken to improve performance	By When
<p>Performance in March has failed to meet the target position, with 88% of quality incidents closed within the required 30 days. This indicates an 6% increase in performance from the previous month.</p> <p>The number of incidents reported in the three month rolling period has increased (64 reports, 7 more than the previous period); 8 were not closed within this period (compared to 10 in the previous reporting period).</p>	<p>The agreed SMT action plan will remain in place to ensure that the improved performance is sustained.</p> <p>A revised process for managing low-impact incidents has been developed; this will release more resource to focus on timely investigation of more serious incidents. The revised process is due to go live by 19th April 2021.</p>	<p>Continue with close monitoring.</p>

Safe and Reliable service

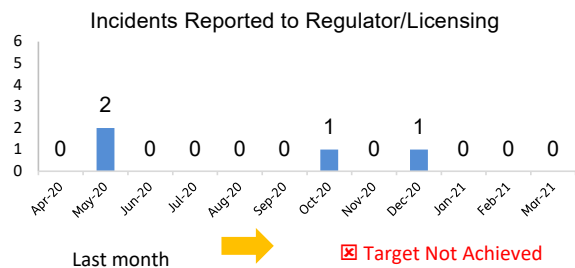
Mar-21



Target: 0	SMT Lead: Peter Richardson	
What are the reasons for performance?	Action(s) being taken to improve performance	By When
<p>There were no external audits or inspections undertaken in March.</p>	<p>None required.</p>	<p>No further action required.</p> <p>MHRA action plan being managed as BAU.</p>

Safe and Reliable service

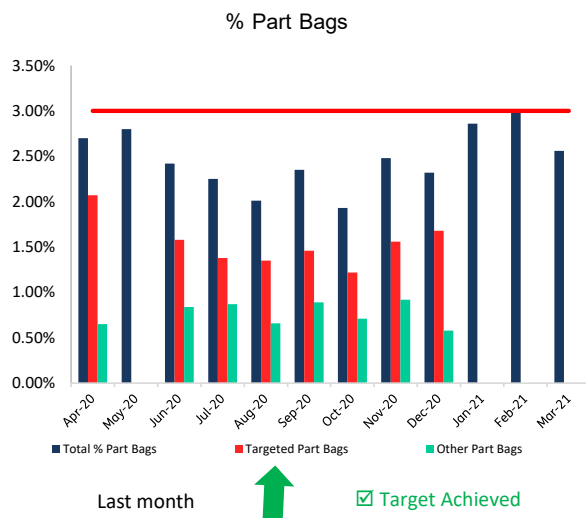
Mar-21



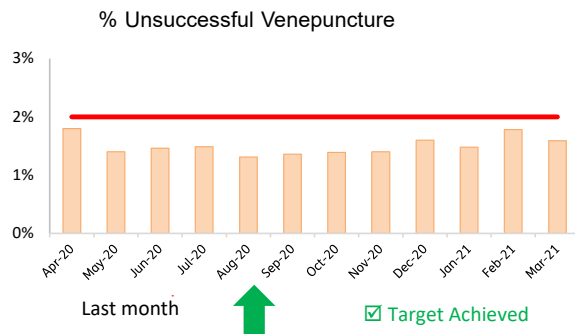
Annual Target: 0		SMT Lead: Peter Richardson
What are the reasons for performance?	Action(s) being taken to improve performance	By When
There were no Serious Adverse Events (SAE) reported to the MHRA in March.	None required	N/A

Spending Every Pound Well

Mar-21



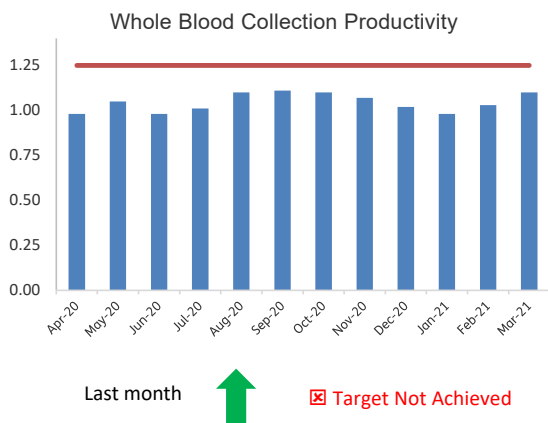
Monthly Target: Maximum 3%		SMT Lead: Janet Birchall
What are the reasons for performance?	Action(s) being taken to improve performance	By When
<p>The overall Part Bag rate has returned to within tolerance in March 2021 after an increase in February 2021.</p> <p>Operational staff will continue to monitor and support new venepuncturists, which was thought to be the cause of the increase last month.</p> <p>When Part Bag rates are reviewed by team, one team (East B) remains a little over tolerance. Monitoring will continue.</p>	<p>Watching brief with regards to this factor</p> <p>Training Manager who oversees venepuncture training, has been made aware of this issue and will discuss with individual team clinical leads to identify any specific issues</p> <p>Venepuncturists who are training, and those who have just passed their VP assessment, will be reminded that they should seek support if required.</p>	May-21



Spending Every Pound Well

Mar-21

Monthly Target: Maximum 2%	SMT Lead: Janet Birchall	
What are the reasons for performance?	Action(s) being taken to improve performance	By When
<p>The overall Failed Venepuncture (FVP) rate in March 2021 remained within the tolerance threshold at 1.59% of donors where a donation was attempted.</p> <p>FVP rates remain higher on the North Team.</p>	<p>Monitoring of FVP rates by team continues.</p> <p>Liaise with North Ops Manager</p>	May-21



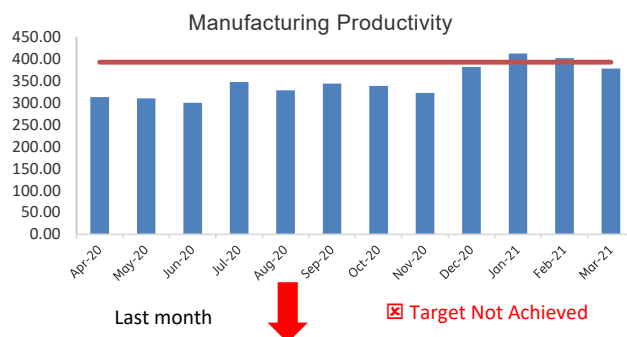
Spending Every Pound Well

Mar-21

Monthly Target: 1.25	SMT Lead: Jayne Davey	
What are the reasons for performance?	Action(s) being taken to improve performance	By When
<p>Collection productivity continues to be below target, at 1.1 for March. However this is a 0.07 increase from February.</p> <p>Increase in appointment and decrease in DNA rates have contributed to this slight improvement in productivity.</p> <p>The ongoing COVID 19 response requirement to resource the additional Triage role on donation clinics will continue to affect productivity.</p> <p>This is an essential element of infection prevention and control (IPC) and will remain in place while COVID 19 is present in the community.</p>	<p>The changes which were due to be brought in under the Blood Supply Chain 2020 have been put on hold during the COVID 19 pandemic.</p>	March 2021

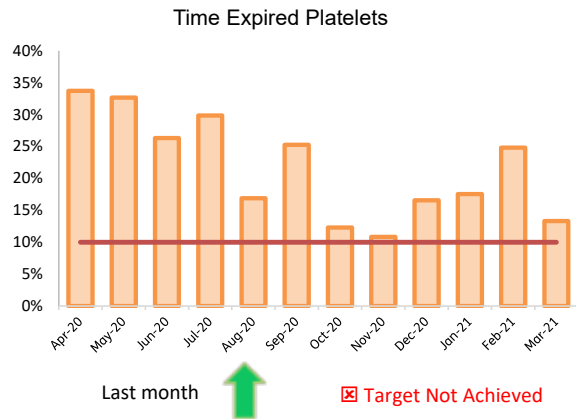
Spending Every Pound Well

Monthly Target 392	SMT Lead: Tracey Rees	
What are the reasons for performance?	Actions(s) bring taken to improve performance	By When
<p>Production efficiency was slightly below target for March. This reflects a slightly improved staffing sitaution within Manufacturing.</p>	<p>The target will remain at its current level until the impact of covid restrictions on collections and surge planning are evaluated.</p>	Dec-21



Spending Every Pound Well

Mar-21



Monthly Target: Maximum 10%		SMT Lead: Tracey Rees	
What are the reasons for performance?		Action(s) being taken to improve performance	By When
Platelet expiry reduced in March following a planned reduction in platelet production and an increase in platelet issues to an average of 180 per week.		AONH process allows flexibility in the production plan for platelets and adjustments on the weekly production are being made to better align with demand.	ongoing

Spending Every Pound Well

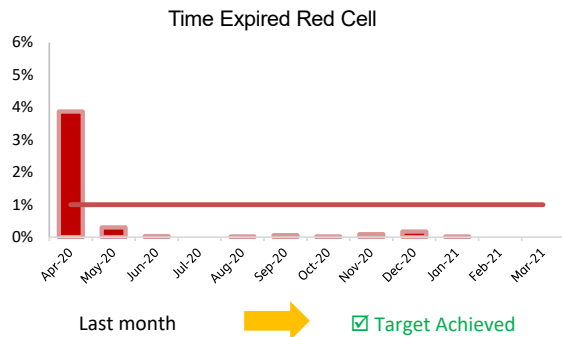
Mar-21



Monthly Target: Maximum 0.5%		SMT Lead: Tracey Rees	
What are the reasons for performance?		Action(s) being taken to improve performance	By When
<p>The controllable red cell losses remained consistently within target.</p> <p>For the month of March were:</p> <p>Heat Seal Failure : 6 (incident on collections teams on single day)</p> <p>Air in Bag : 1</p> <p>Blood Press : 3</p>		Local reporting and management of incidents where they occur for monitoring of losses and lessons learnt.	Business as Usual

Spending Every Pound Well

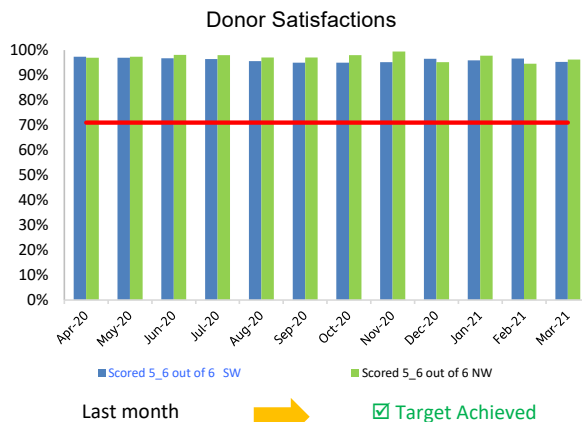
Mar-21



Monthly Target: Maximum 1%	SMT Lead: Tracey Rees	
What are the reasons for performance?	Action(s) being taken to improve performance	By When
Time expired red cells are below the target of 1%. Red cell collections and demand very closely aligned with minimal wastage.	Monitoring continues	Business as usual

First Class Donor Experience

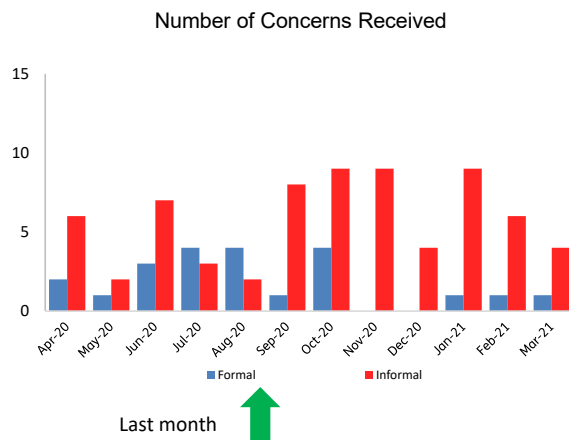
Mar-21



Monthly Target: Minimum 71%	SMT Lead: Jayne Davey	
What are the reasons for performance?	Action(s) being taken to improve performance	By When
Overall donor satisfaction continued to exceed target at 95.5%. In total there were 1103 respondents, who had made a full donation and shared their donation experience, 208 were from North Wales and 895 were from South Wales (where location was able to be defined).	Findings to be reported to management at Collections OSG meeting for actions from individual teams.	Business as usual

First Class Donor Experience

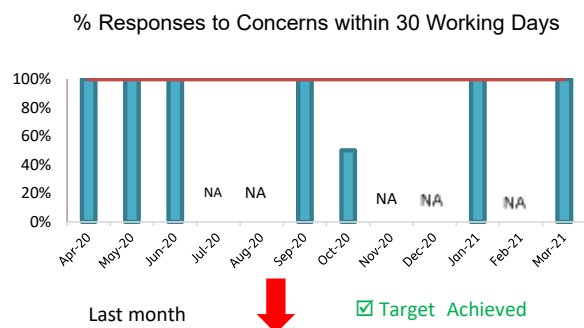
Mar-21



Target: N/A		SMT Lead: Alan Prosser	
What are the reasons for performance?	Action(s) being taken to improve performance	By When	
<p>In March 2021 around 9,000 donors were registered at donation clinics.</p> <p>5 concerns (0.05%) were reported within this period: 4 concerns were managed as early resolution.</p> <p>1 concern was managed as a formal under PTR.</p> <p>The Formal concern is about donor who was asked to change their own mask worn to session for a WBS medical grade mask. Donor concerned the masks provided by WBS provided little or no protection from aerosol particles because of the fit of the masks.</p> <p>Concern themes during this period include:</p> <ol style="list-style-type: none"> 1) Lack of understanding around donor's gender 2) Communication with donor when providing care 3) Staff attitude and behaviour 4) Non use of aerosol particle protection masks <p>The Formal concern is about donors who are asked to change their mask at session for a WBS medical grade one. Donor concerned the masks provided by WBS</p>	<p>All concerns have been investigated and lessons learnt identified and actioned as appropriate.</p> <p>Examples of action taken include:</p> <ol style="list-style-type: none"> 1) Reflective discussions with staff and development and address of lessons learnt to be lead by clinical leaders. 2) Provisions to be explored for staff to receive training on how to deal with difficult situations/ Customer care 3) Robust donor feedback regarding investigation findings and rationale for practice. 4) Non aerosol procedures performed during donation, the masks used are totally proficient for the donation procedure 	Business as usual	

First Class Donor Experience

Mar-21

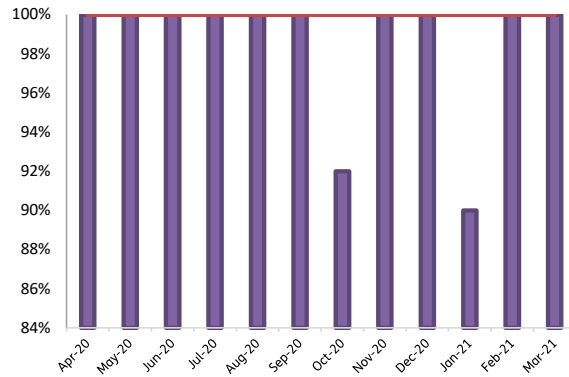


Monthly Target: 100%		SMT Lead: Alan Prosser	
What are the reasons for performance?	Action(s) being taken to improve performance	By When	
There was 1 formal concern received in March 2021.	Continue to monitor 30 day response compliance.	Business as Usual	

First Class Donor Experience

Mar-21

% Concerns Acknowledged within 2 Working Days



Last month



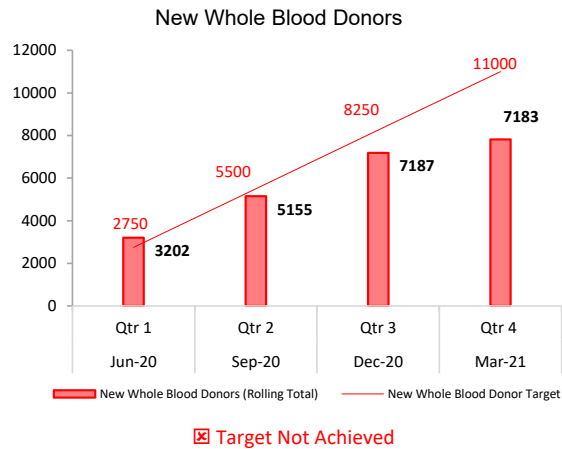
☑ Target Achieved

Monthly Target: 100%		SMT Lead: Alan Prosser
What are the reasons for performance?	Action(s) being taken to improve performance	By When
Initial responses to all concerns within target	Continue to monitor concern management timescales	ongoing

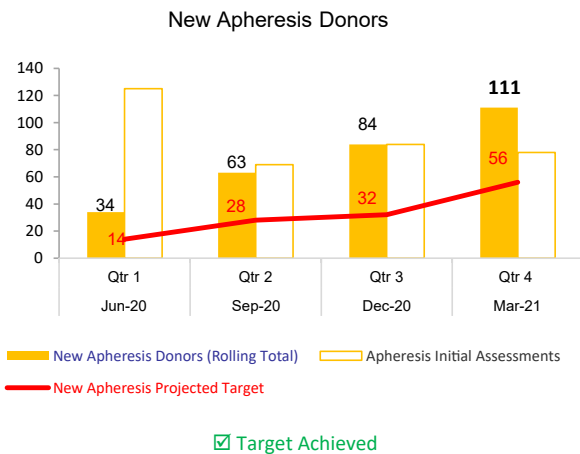
Quarterly Reporting

Equitable and Timely Access to Services

Mar-21



Quarterly Target: 2750		SMT Lead: Jayne Davey	
What are the reasons for performance?		Action(s) being taken to improve performance	By When
626 new donors completed a donation in March.			N/A



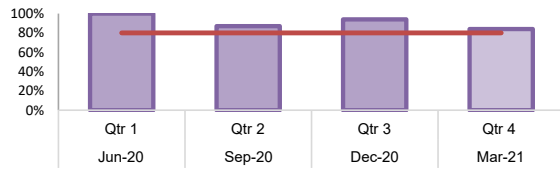
Mar-21

Quarterly Target: 14		SMT Lead: Jayne Davey	
What are the reasons for performance?		Action(s) being taken to improve performance	By When
There were 11 new apheresis donors in March 2021, reaching 27 new donors for the quarter, +13 vs. estimate.		Continue to recruit new apheresis donors.	N/A

Safe and Reliable service

Mar-21

Turnaround Times (Deceased Donor Typing/Crossmatching)



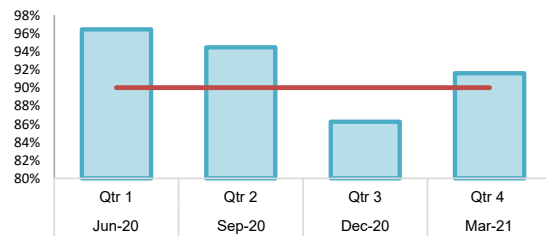
☑ Target Achieved

Quarterly Target: 80%		SMT Lead: Tracey Rees	
What are the reasons for performance?		Action(s) being taken to improve performance	By When
Turnaround times remain above target at 84%.		Continued monitoring and active management is in place.	Business as Usual, ongoing monitoring continues

Safe and Reliable service

Mar-21

Anti D & -c Quantitation



☑ Target Achieved

Quarterly Target: 90%		SMT Lead: Tracey Rees	
What are the reasons for performance?		Action(s) being taken to improve performance	By When
Turnaround times for March above target 95%		Continued monitoring and active management is in place.	Business as Usual

Workforce Report provides the following:

- Overview of Key Performance Indicators for Sickness, PADR, Statutory and Mandatory training in all Divisions of the Trust, including Corporate Divisions, TCS and Research and Development (excluding hosted);
- Corporate Divisions include Finance, Workforce and OD, Corporate Estates and Planning, Corporate IT, Clinical Governance, Infection Control, Fundraising and Trust Management and Board;
- The report provides a 12 monthly trend report for Sickness, PADR, Statutory and Mandatory training;
- Hotspots identified, with in month actions to explain improvement trajectory work. Hotspots defined as areas where KPIs are not met and there has been a downward trend over the last three months;
- In month Job Planning figures with narrative to notify areas of improvement.

At a Glance for Velindre (Excluding Hosted)

Velindre (Excluding Hosted)	Current Month	Previous Month	Target
	Mar-21	Feb-21	
PADR	74.64	71.32	85%
Sickness	5.10	5.29	3.54%
S&M Compliance	83.39	83.06	85%

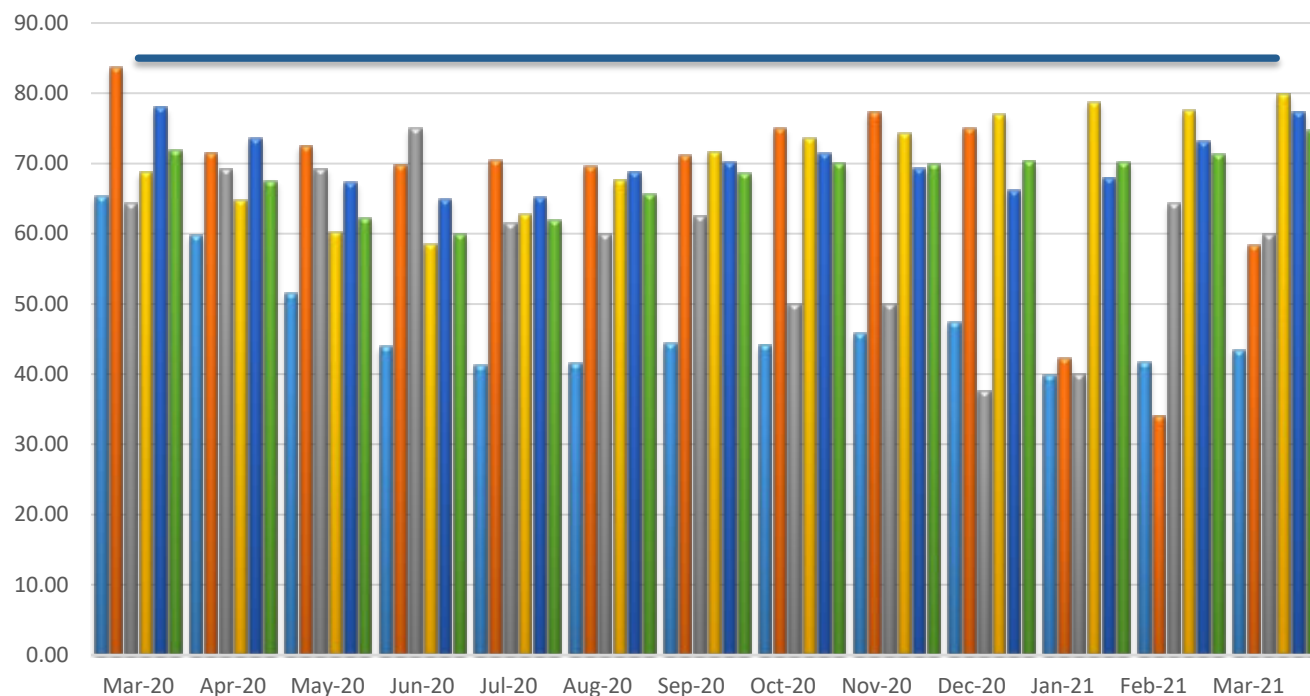
Workforce Dashboard








Data below highlights rolling figures for workforce KPI's. This provides a running total of the values of the last 12 months of an indicator providing trend data for the indicators. Granular monthly data is generated for divisions as separate reports. Data Rag Rated for ease of reading.

Key	85%-100%	50% - 84.99%	0% - 49.99%										
These figures exclude Trainee Doctors, those on Maternity, Starters within first 6 Months, those currently off on sickness absence.													
PADR	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
Corporate	65.35	59.80	51.46	43.93	41.28	41.59	44.35	44.07	45.76	47.46	39.82	41.74	43.44
Research, Development & Innovation	83.72	71.43	72.50	69.77	70.45	69.57	71.11	75.00	77.27	75.00	42.22	34.04	58.33
Transforming Cancer Services	64.29	69.23	69.23	75.00	61.54	60.00	62.50	50.00	50.00	37.50	40.00	64.29	60.00
Velindre Cancer Centre	68.68	64.78	60.26	58.52	62.75	67.60	71.61	73.63	74.23	76.98	78.68	77.53	79.78
Welsh Blood Service	78.00	73.57	67.25	64.94	65.11	68.69	70.22	71.46	69.32	66.18	67.97	73.19	77.25
Velindre Organisations	71.89	67.51	62.28	59.89	61.92	65.67	68.61	70.02	69.89	70.32	70.19	71.32	74.64
Target 85%	85	85	85	85	85	85	85	85	85	85	85	85	85
Key	85%-100%	50% - 84.99%	0% - 49.99%										
These figures exclude those on Maternity and those currently off with sickness absence													
Stat and Mand Compliance (10x CSTF)	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
Corporate	74.21	72.36	70.73	68.94	70.00	72.80	66.67	70.00	69.45	70.47	71.61	70.62	69.47
Research, Development & Innovation	74.51	75.10	75.92	76.27	75.96	80.79	72.41	75.71	76.73	76.25	77.45	82.50	83.73
Transforming Cancer Services	77.65	74.38	69.41	65.29	66.67	70.99	70.00	65.26	70.56	70.56	71.18	69.38	64.12
Velindre Cancer Centre	78.16	77.94	77.76	77.62	78.82	79.87	77.79	78.94	80.13	80.23	80.69	81.53	81.57
Welsh Blood Service	92.26	92.87	93.27	93.79	93.79	91.99	90.65	89.69	91.67	91.42	90.43	89.54	90.90
Velindre Organisations	82.08	82.00	81.83	81.74	82.49	82.99	80.57	81.26	85.59	82.66	82.81	83.06	83.39
Key	0% - 3.54%	3.55% - 4.49%	4.5 % & Above										
Sickness Rolling %	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
Corporate	4.77	4.85	4.85	4.87	4.91	5.20	5.38	5.40	5.19	5.21	5.26	5.16	4.88
Research, Development & Innovation	4.16	4.36	4.68	5.01	5.14	4.88	4.68	4.51	4.62	4.60	4.46	4.41	4.26
Transforming Cancer Services	3.91	3.91	3.99	3.81	3.69	3.08	2.46	2.38	2.31	2.24	2.46	2.41	2.41
Velindre Cancer Centre	4.62	5.07	5.26	5.44	5.57	5.63	5.73	5.74	5.76	5.86	5.86	5.95	5.75
Welsh Blood Service	4.99	5.13	5.09	4.92	4.76	4.61	4.53	4.43	4.43	4.43	4.42	4.37	4.25
Velindre Organisations	4.73	5.03	5.13	5.19	5.21	5.21	5.25	5.22	5.21	5.27	5.26	5.29	5.10
Target 3.54%	3.54	3.54	3.54	3.54	3.54	3.54	3.54	3.54	3.54	3.54	3.54	3.54	3.54
Monthly Sickness Rolling Covid Only Absence %	0%	0.01% - 0.49%	0.50 % & Above										
Sickness Leave Covid Related	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
Corporate	0.08	0.19	0.19	0.19	0.18	0.18	0.20	0.23	0.28	0.42	0.56	0.61	0.58
Research, Development & Innovation	0.06	0.17	0.18	0.18	0.18	0.21	0.31	0.35	0.36	0.43	0.45	0.46	0.42
Transforming Cancer Services	0.06	0.34	0.33	0.32	0.31	0.30	0.29	0.28	0.28	0.27	0.26	0.26	0.21
Velindre Cancer Centre	0.17	0.58	0.69	0.76	0.79	0.84	0.94	1.02	1.10	1.30	1.41	1.46	1.34
Welsh Blood Service	0.08	0.16	0.18	0.18	0.19	0.19	0.21	0.26	0.30	0.36	0.40	0.42	0.37
Velindre Organisations	0.13	0.39	0.46	0.50	0.52	0.55	0.62	0.68	0.74	0.88	0.97	1.01	0.92
Monthly Special Leave Absence %	0%	0.01% - 0.49%	0.50 % & Above										
Special Leave Non Covid Related	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
Corporate	0.31	0.36	0.43	0.43	0.41	0.40	0.42	0.39	0.38	0.37	0.30	0.23	0.17
Research, Development & Innovation	0.45	0.50	0.60	0.58	0.61	0.69	0.70	0.65	0.67	0.71	0.74	0.65	0.50
Transforming Cancer Services	0.00	0.00	0.00	0.00	0.02	0.02	0.02	0.02	0.16	0.32	0.51	0.51	0.51
Velindre Cancer Centre	0.32	0.34	0.35	0.34	0.34	0.36	0.38	0.38	0.39	0.40	0.42	0.42	0.41
Welsh Blood Service	0.41	0.49	0.52	0.52	0.53	0.53	0.54	0.58	0.57	0.63	0.67	0.68	0.72
Velindre Organisations	0.36	0.39	0.42	0.41	0.41	0.43	0.44	0.45	0.45	0.48	0.50	0.49	0.49
Monthly Special Leave Absence %	0%	0.01% - 0.49%	0.50 % & Above										
Special Leave Covid Related	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
Corporate	0.09	0.27	0.35	0.42	0.49	0.57	0.58	0.59	0.59	0.58	0.58	0.58	0.49
Research, Development & Innovation	0.53	0.45	0.50	0.60	0.58	0.61	0.69	0.70	0.65	0.67	0.71	0.74	0.63
Transforming Cancer Services	0.00	0.00	0.00	0.00	0.00	0.02	0.02	0.02	0.02	0.16	0.32	0.51	0.51
Velindre Cancer Centre	0.33	0.32	0.34	0.35	0.34	0.34	0.36	0.37	0.38	0.39	0.40	0.42	0.42
Welsh Blood Service	0.17	0.41	0.44	0.49	0.52	0.52	0.53	0.55	0.57	0.62	0.63	0.69	0.75
Velindre Organisations	0.26	0.65	0.94	1.18	1.37	1.49	1.56	1.60	1.68	1.81	1.92	1.99	1.82





PADR – The Figures

PADR Status - last 12 Months by Division



	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	
 Corporate	65.35	59.80	51.46	43.93	41.28	41.59	44.35	44.07	45.76	47.46	39.82	41.74	43.44	
 Research, Development & Innovation	83.72	71.43	72.50	69.77	70.45	69.57	71.11	75.00	77.27	75.00	42.22	34.04	58.33	
 Transforming Cancer Services	64.29	69.23	69.23	75.00	61.54	60.00	62.50	50.00	50.00	37.50	40.00	64.29	60.00	
 Velindre Cancer Centre	68.68	64.78	60.26	58.52	62.75	67.60	71.61	73.63	74.23	76.98	78.68	77.53	79.78	
 Welsh Blood Service	78.00	73.57	67.25	64.94	65.11	68.69	70.22	71.46	69.32	66.18	67.97	73.19	77.25	
 Velindre Organisations	71.89	67.51	62.28	59.89	61.92	65.67	68.61	70.02	69.89	70.32	70.19	71.32	74.64	
 Target 85%	85	85	85	85	85	85	85	85	85					

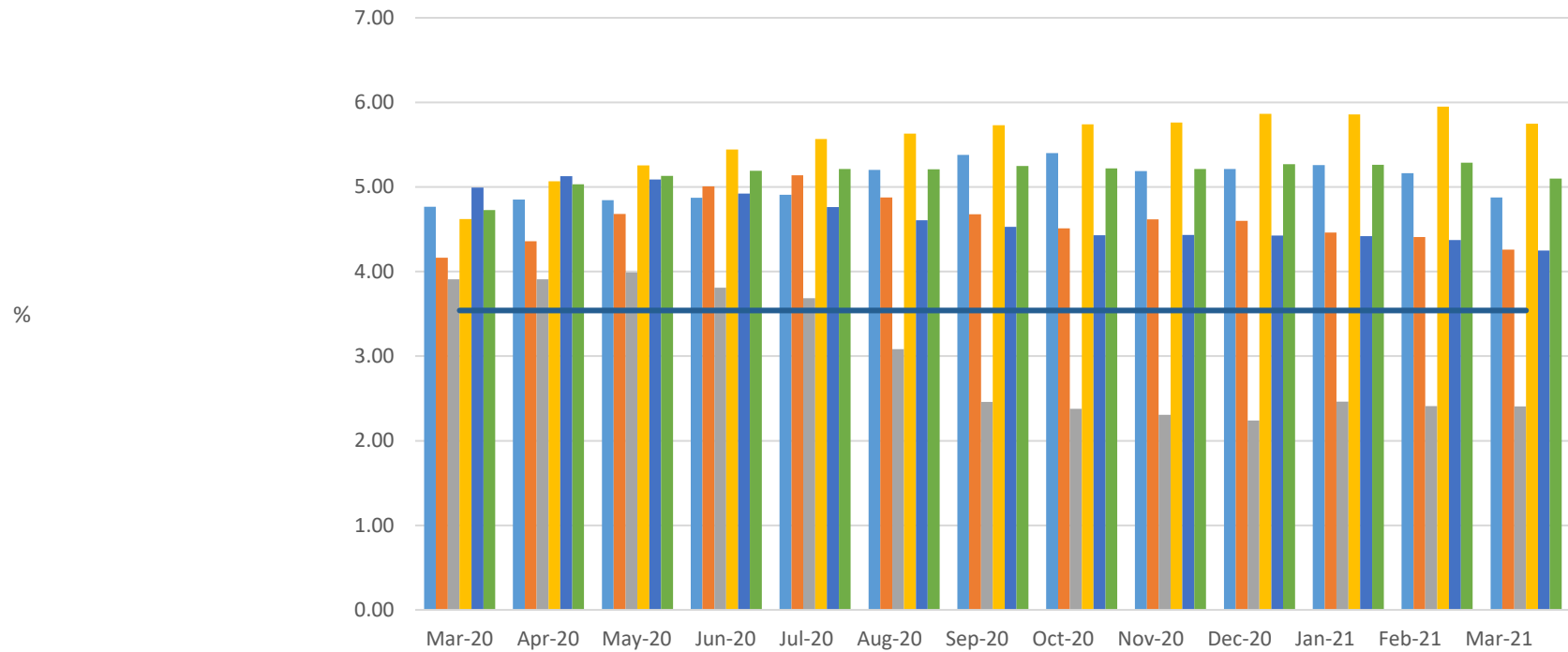
PADR – The Narrative

Performance Indicator	RAG / change from previous month	Feb Figure	Hotspot Areas	%	Comment to include reasons for change / rates high or low
PADR Compliance (85%)	76.6% 	71.3%	General Section	55.56% 	All depts. have similar compliance within General Services and are increasing
			Collection Service	71.13% 	2 depts. are contributing to low figure for Collections both have increasing numbers
			Medical Staffing	32.79% As previous month	Medical appraisal recorded via MARS system shows 82% compliance. This data is increasing in ESR as the data is entered onto both systems. Appraisals continue to be scheduled despite a further letter from WG advising that until end of March 2021 appraisals for Medical staff can be deferred
			Palliative/Chronic pain	52.63% As previous month	
			Clinical Audit	50% As previous month	It should be noted that the assignment count is only 4,
			Corporate	43.44% 	5 departments have compliance above 50% which is an improvement. The other 7 are between 0 and 40%.

					Managers indicate some is data lag, some is challenge during this phase of COVID
			RD+I	58.33% ↑	Unusual figure last month corrected.
			TCS	64.29% ↑	Manager was absent in December but back and catching up on PADR now.
			HTW	60.00% ↓	Almost 20% drop from January data – have asked team to check figure and HTW managers.
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Sickness Data – The Figures

Sickness - Last 12 Months by Division



	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
Corporate	4.77	4.85	4.85	4.87	4.91	5.20	5.38	5.40	5.19	5.21	5.26	5.16	4.88
Research, Development & Innovation	4.16	4.36	4.68	5.01	5.14	4.88	4.68	4.51	4.62	4.60	4.46	4.41	4.26
Transforming Cancer Services	3.91	3.91	3.99	3.81	3.69	3.08	2.46	2.38	2.31	2.24	2.46	2.41	2.41
Velindre Cancer Centre	4.62	5.07	5.26	5.44	5.57	5.63	5.73	5.74	5.76	5.86	5.86	5.95	5.75
Welsh Blood Service	4.99	5.13	5.09	4.92	4.76	4.61	4.53	4.43	4.43	4.43	4.42	4.37	4.25
Velindre Organisations	4.73	5.03	5.13	5.19	5.21	5.21	5.25	5.22	5.21	5.27	5.26	5.29	5.10
Target 3.54%	3.54	3.54	3.54	3.54	3.54	3.54	3.54	3.54	3.54	3.54	3.54	3.54	3.54

Sickness – The Narrative

Performance Indicator	RAG/ Change from previous month	Feb Figure	Hotspot	%	Comment to include reasons for change / rates high or low
Sickness absence (3.42%)	5.1% 	5.26%	Collection Service	4.50% 	All departments with the exception of 3 have rates below target. The 3 areas 3 that are high have there are a number of long term sickness
			Laboratory Services	9.47% 	2 departments are impacting on the increase in sickness rates in this area and both have been impacted by long term sickness. Long term absences are being supported.
			Operational Services	6.92% Down from previous month	Downward trend continues
			Pharmacy	11.70% Slight increase from month	8 long term sickness absence cases remain open – all are being supported appropriately. Most of these cases are complex and not COVID related.
			Outpatients	9.48% As previous month	
			Corporate	4.88% cumulative 	0.63% of in month absence Covid related (slight reduction on last month)

			2.88% in month ↓	68.3% of absence due to stress/anxiety/depression – double elsewhere in the Trust.
		RD+I	4.26% cumulative ↓ 1.60% in month ↓	0.02% of in month absence Covid related. Reduction in long and short term absence As this is a small department even 1 absence can have significant impact on percentages.
		TCS	2.01% cumulative ↓ 0.00% in month Same	No Covid absence reported.
		HTW	2.56% cumulative ↓ 3.33% in month ↓	No Covid absence reported. Headcount of 16. 50% of cumulative absence flagged as “other”. Have requested this be checked.

Action/ initiatives:

WBS

Support managers to develop a return to work plan for staff on long term sickness.

VCC

VCC has 3 cases of long COVID absence – staff are being supported through the usual MAAW process, identifying any individual support required.

It should be noted that the cumulative rates now start with the March 2020 data when COVID commenced and therefore the cumulative rates will be high due to the unusually high rates of absence during this reporting period.

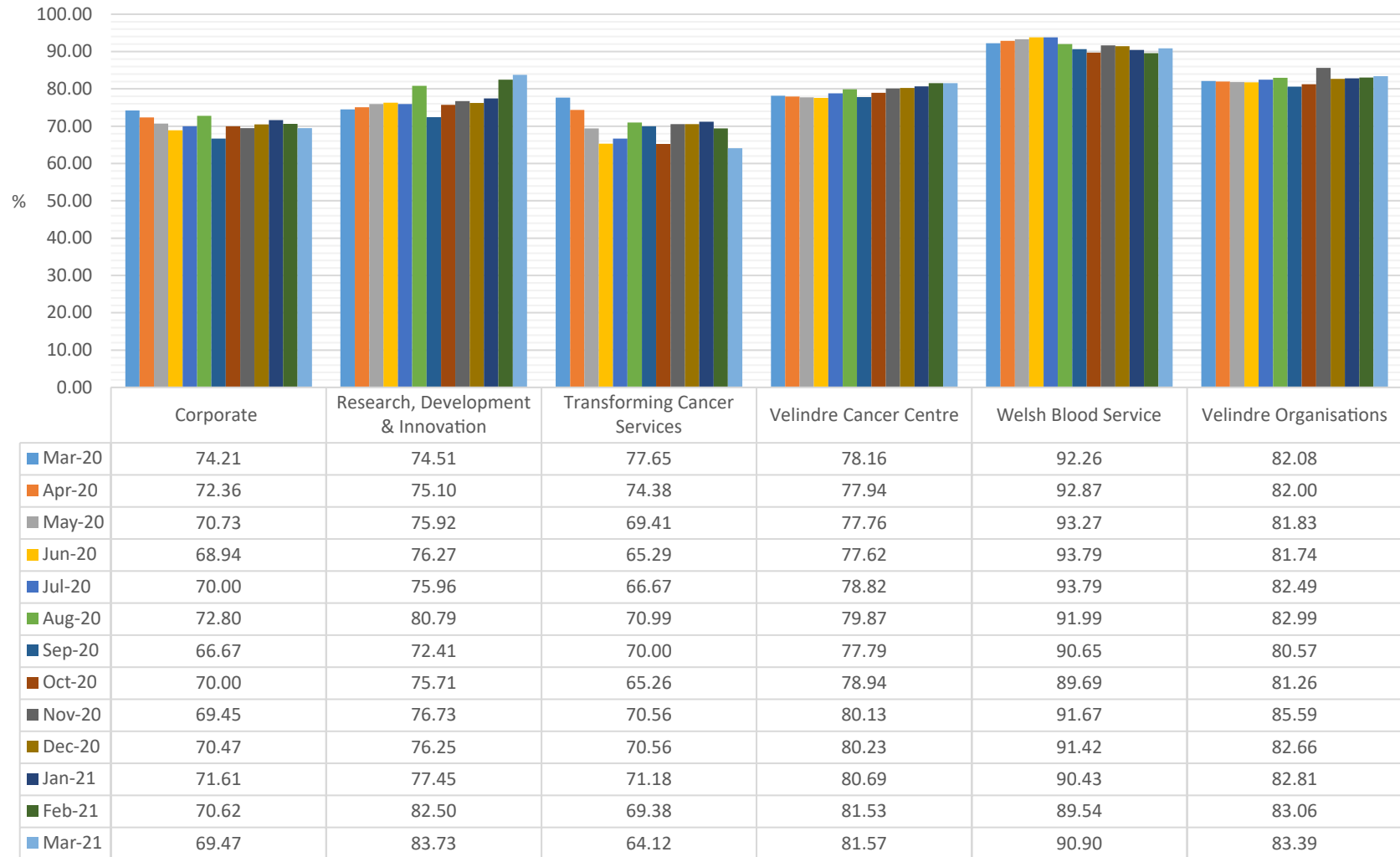
Sickness absence cases continue to be discussed during regular department meetings to ensure the appropriate application of MAAW.

Corporate Areas (including RD&T, HTW & TCS)




Corporate has around 130 staff (headcount) across 11 departments. Between 2 and 32 staff per department so each staff member can have between 3% and 50% impact on that department's figures. Managers are engaging in Workforce conversations and acting to support staff back into work. Covid related absence is reducing, as expected, given general decrease of infection in the general population.



Statutory and Mandatory Figures – The Figures

Statutory & Mandatory Compliance (10x CSTF) last 12 months by Division



Statutory and Mandatory Figures – The Narrative

Performance Indicator	RAG/ Change from previous month	Jan Figure	Hotspot	%	Comment to include reasons for change / rates high or low
Stat & Mand Training (85%)	83.3% 	83.0%	VCC		There are no major hotspot areas within VCC this month, although Manual Handling Training requires attention and improvement across the patch. Discussions to improve and support Departments in improving compliance is being taken through the Divisional Q&S meetings. It should be noted that during the pandemic C&V (from whom we commission our level 3 patient MH), a number of courses were cancelled, leading to non-compliance, this now needs to be rescheduled.
			Corporate	69.4% 	All managers committed to getting staff to undertake S+M training. Some practical limitations with staff who do not have regular access to IT.
			RD&I	83.7% 	Increase - Manager encouraging staff to undertake modules via e-learning.

		TCS	64.12% 	Slight decrease from January's compliance.
		HTW	83.13% 	Same position as last month.

Action/ initiatives:

WBS

All departments within WBS are above the 85% compliance target.

VCC

The pandemic has inevitably caused some issues in accessing advanced level training (level 2/3 and B modules) as these are usually delivered face to face. A number of courses during the pandemic were cancelled, either directly due to COVID restrictions, or due to the staff delivering the training being redeployed into other duties. Courses are now re-established but there is a lag in the compliance figures as staff catch up with this training.

Departments are working with Education and Development to support them in achieving higher compliance rates.

Corporate Areas (including RD&T, HTW & TCS)

Statutory and Mandatory training compliance will be addressed at a departmental level, with the support of the WOD Team, to establish whether there are any barriers to improving this.

Job Planning Figures for Consultants

VCC & WBS data combined

Combined							
Role	Assignments	With Expired Plan	% With Expired Plan	With Current Plan (within 1 Year)	% With Current Plan	With Current but Unsigned Plan	% With Current but Unsigned Plan
Consultant	60	25	42%	35	58%	13	37%
Medical Director	2	1	50%	1	50%	0	0%
Specialty Doctor	1	0	0%	1	100%	0	0%
GP	1	1	100%	0	0%	0	#DIV/0!
Grand Total	64	27	42%	37	58%	13	35%

VCC							
Role	Assignments	With Expired Plan	% With Expired Plan	With Current Plan (within 1 Year)	% With Current Plan	With Current but Unsigned Plan	% With Current but Unsigned Plan
Consultant	58	25	43%	33	57%	13	39%
Medical Director	1	0	0%	1	100%	0	0%
Specialty Doctor	0	0	0	0	0	0	0
GP	1	1	100%	0	0%	0	0
Grand Total	60	26	43%	34	57%	13	38%

NB

Data on the job plans associated with other 'medical' posts within the Trust have not been included in the above; this is due to the relatively small numbers involved and therefore the immediately identifiable nature of this information.

Key points:

COVID continues to provide a significant challenge in terms of ensuring that job planning/review sessions are undertaken in a timely manner.

Work In Confidence (WIC)

No detail has been provided this month in terms of the number of staff who have accessed the WIC platform, or categorisation of the type of conversations that have taken place; this is primarily the result of low usage of the platform over the last month and therefore the potential to identify those who have made contact.

In all contacts with staff, staff are encouraged, where appropriate, to share their concerns with their Line Manager (or next appropriate Manager), in order to achieve an early, informal resolution. The WOD Team have also been previously involved in facilitating discussions between the Manager and member of staff.

TRUST BOARD

QUARTERLY ACTION PLAN 2020/21 YEAR END REPORT

DATE OF MEETING	8/6/2021
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PUBLIC OR PRIVATE REPORT	Public
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IF PRIVATE PLEASE INDICATE REASON	Not Applicable - Public Report
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PREPARED BY	Peter Gorin, Head of Corporate Strategic Planning and Performance
PRESENTED BY	Cath O'Brien, Interim Chief Operating Officer
EXECUTIVE SPONSOR APPROVED	Cath O'Brien, Interim Chief Operating Officer

REPORT PURPOSE	FOR NOTING
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COMMITTEE/GROUP WHO HAVE RECEIVED OR CONSIDERED THIS PAPER PRIOR TO THIS MEETING		
COMMITTEE OR GROUP	DATE	OUTCOME
Executive Management Board	4 th May 2021	NOTED
Quality Safety Performance Committee	13 th May 2021	NOTED

ACRONYMS	
VUNHST	Velindre University NHS Trust
QSP	Quality Safety and Performance Committee

VCC SMT	Velindre Cancer Centre Senior Management Team
WBS	Welsh Blood Service Senior Management Team
SMT EMB	Executive Management Board
SACT	Systemic Anti-Cancer Therapy
KPIs	Key Performance Indicators
LHB	Local Health Board

1. SITUATION/BACKGROUND

- 1.1 The Quarterly Action Plan for 2020/21 was developed as a means to describe and monitor progress against the Trust's operational planning intentions by quarter for last financial year, within the context of the COVID-19 pandemic. However, operational pressures due to the resurgence of COVID-19 infection following the summer and autumn of 2020 has inevitably affected the delivery of actions in a number of areas.
- 1.2 The divisional Operating Plan Quarterly yearend reports were initially presented to the WBS and VCC Senior Management Teams (SMTs) and have been reviewed by the Executive Management Board (EMB) on 4th May and Quality Safety and Performance Committee on 13th May 2021.

2. ASSESSMENT / SUMMARY OF MATTERS FOR CONSIDERATION

- 2.1 This report has been prepared to 'close the governance loop' with respect to actions included in the Velindre University NHS Trust (VUNHST) Operational Plan 2020/21. Whilst a significant proportion of our quarterly actions have been completed and reported to earlier QSP Committee meetings (**185** completed out of **235** actions), there are a number of actions remaining at yearend (**50**) which are outlined in Annex 1 – Annex 3.
- 2.2 The VCC, WBS and Corporate actions in the attached annexures have been categorized as follows:
 - Action Successfully Completed by 2020/21 yearend (**16**)
 - Action no longer relevant or superseded by changed circumstances (**9**)
 - Paused due to COVID-19 priorities, relevant when 'normal' returns in 2021/22 (**7**)
 - Ongoing work, modified and/or built upon into revised action for 2021/22 (**34**)

The actions relating to ongoing work will be absorbed within the quarterly action plans contained in our new Annual Plan (IMTP) for 2021/22 to be agreed by the Trust Board on 8th June for submission to Welsh Government by 30th June 2021.

- 2.3 The impact of COVID-19 on VCC physical site capacity, workforce availability and infection control and prevention measures, has been challenging for SACT and Radiotherapy services, furthermore the return of outreach patients to VCC has placed the site under extreme pressure to accommodate patients safely. This has meant that a number of VCC quarterly actions have been deferred and/or superseded as our cancer services focused on recovery, details in **Annex1**.
- 2.4 Similarly, the year 2020/21 has provided significant challenges for WBS due to the COVID pandemic, with a number of venue cancellations and the need for social distancing at blood collection sites. However, the distribution of blood and blood products to Local Health Boards (LHB) has been sustained throughout 2020/21, with ongoing monitoring of availability of stocks and contingency plans to address any shortages in place. WBS Quarter yearend actions are given by **Annex 2**.
- 2.5 Managing within the COVID Operational Workforce Framework has included provision of an ongoing infrastructure to ensure staff are safe within a work and home environment, via effective risk assessment. Staff's wellbeing has been supported via a raft of wellbeing offers and ongoing monitoring of workforce availability via daily provision of workforce reports.
- 2.6 Throughout the pandemic, management development training has been adapted to be developed in a hybrid virtual way. The Trust, working with HEIW, has developed a Leadership and Management Hub to provide a variety of management support aligned to challenges faced in the pandemic.
- 2.7 Digital resources during 2020/21 have been focused on the delivery of core services, the continued support for key strategic projects (i.e. Velindre Futures and Regional Cancer Services), the introduction of a new Trust wide Digital Service Desk, support for the Trust response to the Vaccination Programme and continued activities regarding the Digital Health & Care Project (i.e. replacement of the CANISC system).
- 2.8 Good progress has also been made against finance quarterly actions for 2020/21. Block Contracts were agreed with LHB commissioners for 2020/21 and discussions have commenced with Commissioners for Financial Year 2021/22. Finance support was also provided for the development of the business cases for Acute Oncology and the Transforming Cancer Services programme. Corporate quarterly yearend detailed actions are given by **Annex 3**.

3. IMPACT ASSESSMENT

QUALITY AND SAFETY IMPLICATIONS/IMPACT	Yes (Please see detail below)
	All plans are subject to the Trust quality assurance framework and the processes established during the Covid 19 outbreak.
RELATED HEALTHCARE STANDARD	Governance, Leadership and Accountability
	If more than one Healthcare Standard applies please list below: <ul style="list-style-type: none"> • Staff and Resources • Safe Care • Timely Care • Effective Care • Staying Healthy
EQUALITY IMPACT ASSESSMENT COMPLETED	Not required
LEGAL IMPLICATIONS / IMPACT	There are no specific legal implications related to the activity outlined in this report.
FINANCIAL IMPLICATIONS / IMPACT	Yes (Include further detail below)
	Financial impact of all service changes are being monitored and reviewed with finance colleagues for onward engagement with Welsh Government on Covid related costs.

4. RECOMMENDATION

4.1 The VUNHST Trust Board is asked to **NOTE** the content of this report.

VELINDRE UNIVERSITY NHST OPERATIONAL PLAN QUARTERLY ACTION PLANS 2020/21 ANNEX 1 - VELINDRE CANCER CENTRE								Progress Updates from Quarterly Action Leads
ID	REF	Agreed Quarterly Actions	Work Area	Action Leads	Start Date	End Date	BRAG Rating	Date: 21 April 2021
VQ2	VQ 2.3	Continue to manage repatriated patient activity until safe plans are agreed with HBs	VCC	SACT Lead	1.7.20	30.9.20	Modified built upon for action in 2021/22	PCH returned to 30% capacity, however remaining patients continue to be treated at VCC. Awaiting ABUHB and CTMUHB plans for return of Outreach provision
VQ2	VQ 2.4	Develop plans with all HB partners to deliver a safe return of SACT outreach services	VCC	Planning Leads/SACT Lead	1.7.20	31.8.20	Modified built upon for action in 2021/22	PCH returned to 30% capacity, however remaining patients continue to be treated at VCC. Awaiting ABUHB and CTMUHB plans for return of Outreach provision
VQ2	VQ 2.6	Implement capacity increase delivery options to meet demand changes	VCC	Senior Management Team.	1.7.20	30.9.20	Modified built upon for action in 2021/22	Agency staff to support service agreed and being implemented. Option appraisal by RMG in February for sustainable capacity
VQ2	VQ 2.10	Workforce development and recruitment plan to be developed to support options	VCC	W & OD Lead	1.7.20	30.11.20	Modified built upon for action in 2021/22	Workforce plans in place for recruitment, retention.
VQ2	VQ 2.16	Develop a service model for running virtual and face to face clinics which will be adopted by all SSTs	VCC	Medical Directorate Manager & SST Leads	1.7.20	30.9.20	No longer relevant	Hub completed. Ongoing Discussions with SST leads to maximize throughput.

VQ2	VQ 2.20	Gather patient feedback on the use of virtual appointments	VCC	Patient Experience Manager/ OPD Business Manager	1.7.20	30.9.20	Modified built upon for action in 2021/22	Survey tool developed and patient feedback is delayed due to staff absence and work pressure. Will be finalized in Q4.
VQ2	VQ 2.22	Ultra sonographer to be trained to perform neck US so allowing more capacity	VCC	Radiology Lead Clin Lead Neck US	1.7.20	30.9.20	No longer relevant	Training requirements identified and currently being progressed.
VQ2	VQ 2.23	Further work in establishing weekend therapy community services in the post COVID-19 phase.	VCC	Therapy Lead	1.7.20	30.9.20	No longer relevant	Active engagement with community teams is ongoing.
VQ2	VQ 2.24	Continue physio cover for Saturday and Sunday	VCC	Therapy Lead	1.7.20	31.8.20	Modified built upon for action in 2021/22	Workforce plan currently being developed.
VQ3/4	VQ 3/4.3	Continue to treat all patients utilizing clinical prioritization plans developed during the recovery phase	VCC	Director of Cancer Services	1.10.20	31.03.21	No longer relevant	Clinical prioritization plans being reviewed in light of current status.
VQ3/4	VQ 3/4.1	Continue to increase Oral SACT and at home provision	VCC	Director of Cancer Services	1.10.20	31.03.21	No longer relevant	Uptake monitored monthly
VQ3/4	VQ 3/4.2	Deliver increased activity at VCC site in advance of outreach return including utilizing unused HB Pharmacy/Nursing resources	VCC	Director of Cancer Services	1.10.20	31.03.21	Modified built upon for action in 2021/22	Additional chair capacity in place September, pharmacy support from CTMUHB HB's commenced September, ABUHB commenced October. Activity being monitored weekly

VQ3/4	VQ 3/4.8	Deliver and manage the private sector additional capacity provision in line with contractual requirements	VCC	Director of Cancer Services	1.10.20	30.11.20	Modified built upon for action in 2021/22	Ongoing negotiation with third sector/private provider. Extra day secured for Tenovus bus delivery .
VQ3/4	VQ 3/4 5	Continue to treat all patients utilizing clinical prioritization plans developed during the recovery phase	VCC	Director of Cancer Services	1.10.20	31.03.21	No longer relevant	Ongoing process being delivered.
VQ3/4	VQ 3/4.6	Deliver of additional capacity plans including the implementation of extended day working	VCC	W & OD Lead	1.7.20	31.1.21	No longer relevant	Option appraisal considered by RMG in February for sustainable capacity options.
VQ3/4	VQ 3/4 4	Deliver and manage the private sector additional capacity provision in line with contractual requirements	VCC	Director of Cancer Services	1.10.20	30.11.20	No longer relevant	Ongoing negotiation with third sector/private provider
VQ3/4	VQ 3/4 12	Relocate Phlebotomy service to support effective social distancing in outpatient department and to increase OP throughput	VCC	Director of Cancer Services	1.10.20	31.03.21	Modified built upon for action in 2021/22	Permanent solution identified, building work to be completed by March 2021.
VQ3/4	VQ 3/4 12	Continue to offer Phlebotomy services and monitor activity levels while initiating discussions on sustainable service model with Health Boards	VCC	Director of Cancer Services	1.10.20	31.03.21	Modified built upon for action in 2021/22	Limitations on DGH and GP surgery access. No progress on HB engagement in this. Extreme pressure on OP space as a result.

VELINDRE UNIVERSITY NHST OPERATIONAL PLAN QUARTERLY ACTION PLANS 2020/21 ANNEX 2 – WELSH BLOOD SERVICE								Progress Updates from Quarterly Action Leads
ID	REF	Agreed Quarterly Actions	Work Area	Action Leads	Start Date	End Date	BRAG Rating	Date: 21 April 2021
BQ2	BQ 2.11	Implement in-house HNA antibody testing to enable convalescent plasma collected from female donors to be used if model shows this to be a viable option	WBS	Chief Scientific officer	1.7.20	30.9.20	No longer relevant	No longer relevant/superseded by changed circumstances – Convalescent plasma programme has now stopped so this action is no longer an action
BQ3	BQ3.1	Recruitment of laboratory staff to support Manufacturing, Testing and Distribution of convalescent plasma	WBS	General Services Manager	1.10.20	31.12.20	Complete	Actioned
BQ3	BQ3.2	Increased plasma freezer capacity in Talbot Green and Wrexham Stock Holding Unit	WBS	General Services Manager	1.10.20	31.12.20	Complete	Change controls and validation activities completed
BQ3	BQ3.3	Plasmapheresis collection model in place	WBS	General Services Manager	1.10.20	31.12.20	Complete	Completed model in place

VELINDRE UNIVERSITY NHST OPERATIONAL PLAN QUARTERLY ACTION PLANS 2020/21 ANNEX 3 – CORPORATE SERVICES								Progress Updates from Quarterly Action Leads
ID	REF	Agreed Quarterly Actions	Work Area	Action Leads	Start Date	End Date	BRAG Rating	Date: 21 April 2021
CQ2	CQ2.5	Revised plan for use of Trust social media	COMMS	Asst Dir of Comms	1.7.20	31.7.20	Modified built upon for action in 2021/22	Now being taken forwards as an integrated content plan to include websites, intranet and social media for completion by end of June 2021.
CQ2	CQ2.6	Deliver new Trust website	COMMS	Asst Dir of Comms	1.7.20	30.9.20	Modified built upon for action in 2021/22	Both Trust and VCC sites live from 23 March 2021.
CQ2	CQ2.7	Provide support for Trust strategy engagement	COMMS	Asst Dir of Comms	1.7.20	15.7.20	Modified built upon for action in 2021/22	Programme for developing the Trust strategy completed and engagement strategy in development
CQ2	CQ2.9	Continue direct communication on key topics with special emphasis on PPE, wellbeing, TTP and social distancing as we prepare for safe workplaces	COMMS	Asst Dir of Comms	1.7.20	30.9.20	Modified built upon for action in 2021/22	Daily communications reviewed and approach refreshed from March 2021.
NQ2	NQ2.5	VCC Electronic Nurse Rostering Implement Allocate electronic rostering system & bank management system June 2020	N & Q	Dep Dir Nursing & Quality	1.7.20	31.8.20	Completed	This has been done
NQ2	NQ2.6	Quality & Safety Framework to be completed and implementation commenced Commence recruitment of Quality & Safety Project Manager	N & Q	Dep Dir Nursing & Quality	1.7.20	30.9.20	Modified built upon for action in 2021/22	Work is still in progress, and a workforce consultation is impending to strengthen the Quality & Safety Team. This action will transfer to the 2021/ 22 plan.

NQ2	NQ2.9	A Review of all Staff who have received a COVID-19 positive swab to have had the screening & review undertaken in line with Staff diagnosed with COVID-19 Policy.	N & Q	Dep Dir Nursing & Quality	1.7.20	30.9.20	Completed	This was completed
NQ2	NQ2.10	Review the Quality Metrics and outcome measures within Trust Performance Management Framework	N & Q	Dep Dir Nursing & Quality	1.7.20	30.9.20	Modified built upon for action in 2021/22	Progress is being made, but metrics not yet agreed / finalised. To transfer to 21/22 plan
NQ2	NQ2.11	Undertake service level to Board quality & assurance mapping across Divisions feeding into Trust wide assurance mechanisms	N & Q	Dep Dir Nursing & Quality	1.7.20	30.9.20	Modified built upon for action in 2021/22	Good progress being made re quality and governance assurance frameworks, with new structures being implemented. However, not yet fully finalised
FQ2	FQ2.2	Development of revised RD&I Financial Strategy & Plan	FIN	Dep Dir Finance Head of Fin Bus Partner	1.7.20	31.8.20	Modified built upon for action in 2021/22	Financial Strategy is an enablement and response to the RD&I service strategy which remains in development
FQ2	FQ2.5	Supporting to the PET CT Strategic Programme Board	FIN	Dep Dir Finance Head of Fin Bus Partner	1.7.20	ongoing	Modified built upon for action in 2021/22	Monthly meetings are on-going
FQ2	FQ2.6	Supporting Acute Oncology Service business case	FIN	Dep Dir Finance Head of Fin Bus Partner	1.7.20	31.7.20	Modified built upon for action in 2021/22	Finance sub-group ongoing meetings to support development of the economic case and provide financial information for financial case as well as validating the resources & costs of the three options.

FQ2	FQ2.13	Support new services being provided by NWSSP: Single lead employer model for Junior Doctors and establishment of Collaborative Bank	FIN	Dep Dir Finance/ Head of Financial Operations	1.7.20	ongoing	Modified built upon for action in 2021/22	Services being provided by finance to NWSSP whilst ongoing resources required are assessed, including HMRC reporting and payments with consequent impact on cash flow
FQ2	FQ2.14	Support financial elements of NWIS transition to SHA	FIN	Dep Dir Finance / Head of Financial Operations	1.7.20	ongoing	Modified built upon for action in 2021/22	Regular Project meetings taking place with respective actions progressing. This includes the establishment of a bank account for transfer to the SHA, and assessment of the financial assets & liabilities being transferred.
FQ2	FQ2.15	Engage with Finance colleagues across Wales and the NWSSP Central E Business Team to upgrade the Oracle Financial System	FIN	Dep Dir Finance / Head of Operations	1.7.20	ongoing	Modified built upon for action in 2021/22	Engagement is continuing. This is likely to be a considerable piece of work for the HQ Finance team and resources to support will need to be allocated.
FQ2	FQ2.17	Engage with the Internal Audit of COVID-19 Financial Governance and any other Internal Audit relevant to Finance (likely Core Financial Systems Audit to commence in Q3)	FIN	Dep Dir Finance / Head of Financial Operations	1.7.20	ongoing	Complete	Positive feedback from Audit on response to COVID-19 in terms of financial governance.
FQ2	FQ2.19	Hold on site meeting with HMRC to review previous information submission and the Trust's Business Risk Review	FIN	Dep Dir Finance / Head of Financial Operations	1.7.20	31.12.20	Paused due to COVID-19 but still relevant	No date advised by HMRC as yet due to continuing impact of COVID-19
WQ3	WQ3.1	Anonymous staff feedback tool – Work In Confidence – enabling and encouraging a safe environment to raise concerns;	WOD	Director of OD & Workforce	1.10.20	31.12.20	Complete	Completed

		put forward ideas,enabling and supporting a culture of engagement and change						
WQ3	WQ3.2	Staff surveys to be completed to support culture of listening and action – you said – we did approach	WOD	Director of OD & Workforce	1.10.20	31.12.20	Complete	Completed
WQ3	WQ3.3	Staff Networks and Staff Forum in place to support transition and change in VCC	WOD	Director of OD & Workforce	1.10.20	31.10.20	Complete	Completed
WQ3	WQ3.4	Management development offer in place to support in changing times	WOD	Director of OD & Workforce	1.10.20	31.10.20	Complete	Completed
WQ3	WQ3.5	Focus on PADRs to support targeted and effective development and support talent management	WOD	Director of OD & Workforce	1.10.20	31.12.20	Modified built upon for action in 2021/22	Ongoing Modified/built upon into revised action to be included with the new list of Q1234 Actions for 2021/22 in Annual Plan
WQ3/4	WQ3/4.1	COVID operational infrastructure in place to be flexed depending on second waves	WOD	Director of OD & Workforce	1.10.20	31.1.21	Modified built upon for action in 2021/22	Ongoing still relevant dependent on pandemic
WQ3/4	WQ3/4.2	Shaping of a Talent Management Pathway for the Trust	WOD	Director of OD & Workforce	1.10.20	31.1.21	Paused due to COVID-19 but still relevant	Paused due to COVID-19 priorities, but still relevant when 'normal' returns in 2021/22, and added to Annual Plan (IMTP) 2021/22
WQ3/4	WQ3/4.3	Leadership development in place	WOD	Director of OD & Workforce	1.10.20	31.12.20	Modified built upon	Bespoke offering for Management and leadership in place flexed to support the changing need of COVID

							for action in 2021/22	
WQ4	WQ4.4	Board development in place	WOD	Director of OD & Workforce	1.10.20	31.1.21	Complete	In place although start date delayed until May
WQ4	WQ4.5	Structural change completed	WOD	Director of OD & Workforce	1.10.20	31.1.21	Paused due to COVID-19 but still relevant	Some In place others Paused due to COVID-19 priorities, but still relevant when 'normal' returns in 2021/22, and added to Annual Plan (IMTP) 2021/22
DQ4	DQ4.2	Strategic Projects: Digital Innovation for Out of Hospital Care	DIG	Deputy Chief Digital Officer	1.10.20	31.03.21	Modified built upon for action in 2021/22	Pilot is ready to commence with Keep Me Safe. PKB contract has been terminated. Resources required to implement next stage of Consultant Connect. Approval to adopt the Digital Inclusion Charter, exploring a South East Wales adoption under CCLG.
NQ3	NQ3.1	To continue to minimise the risk of Covid19 at WBS and VCC: 1. Recruit to Respiratory Protection Advisor and IPC 2. Recruit to the additional 2 Consultant Microbiology sessions 3. FiT testing machine to be purchased swifter testing of staff 4. Liaise with PHW re regular peer review audits to optimal IPC management re Covid prevention 5. Covid-19 minimisation and management plan in place.	N & Q	Director of Nursing AHP Med Scientists	1.10.20	31.12.20	Completed	Actions as opposite have been completed. However, the management of the COVID pandemic and risk reduction measures will continue into 2021 / 22.

NQ3	NQ3.2	Deliver the Flu and Covid vaccination programmes (aim for 90% target for frontline staff for the Flu vaccine)	N & Q	Director of Nursing AHP Med Scientists	1.10.20	31.12.20	Completed	Completed. However, the Flu and COVID Booster vaccination programmes will continue in 2021/22
NQ3	NQ3.3	Undertake a clinical risk review of services at VCC with clear actions to address	N & Q	Director of Nursing AHP Med Scientists	1.10.20	31.12.20	Completed	Patient safety Taskforce review at VCC completed.
NQ3	NQ3.4	Strengthen the Quality & Safety Framework for the Trust with a clear Q&S structure and strategy – for WBS and VCC	N & Q	Director of Nursing AHP Med Scientists	1.10.20	31.03.21	Modified built upon for action in 2021/22	Good progress being made, but to be completed during Q1 2021/22
NQ3	NQ3.5	Develop a Nursing strategy for the 2021-2024 – 3 year strategy to deliver the vision for nursing at VUNHST	N & Q	Director of Nursing AHP Med Scientists	1.10.20	31.03.21	Paused due to COVID-19 but still relevant	Not progressed due to competing priorities relating to the COVID Pandemic and vaccination programme. To be undertaken by Q2 21/22
NQ3	NQ3.6	Develop a 2021-2024 patient experience and engagement strategy for VUNHST	N & Q	Director of Nursing AHP Med Scientists	1.10.20	31.03.21	Paused due to COVID-19 but still relevant	Much work is progressing regarding patient experience and engagement. However, the strategy development has not progressed as planned due to competing priorities relating to the COVID pandemic. This will now be achieved by Q2 of 2021/22
NQ3	NQ3.7	Implement the Welsh Nursing Care Record (WNCR) in line with WG requirements	N & Q	Director of Nursing AHP Med Scientists	1.10.20	31.03.21	Completed	Completed
NQ3	NQ3.8	Develop a vulnerable adults Committee and strategy (2021-	N & Q	Director of Nursing	1.10.20	31.03.21	Paused due to	A Vulnerable Adults group has been developed which links in with the VCC

		2024) for VUNHST (to include LD, Dementia and safeguarding)		AHP Med Scientists			COVID-19 but still relevant	Dignity Group. However, the strategy development has not progressed as planned due to competing priorities relating to the COVID pandemic. This will now be achieved by Q2 of 2021/22
FQ3	FQ3.3	LTAs with all HB's & WHSSC signed securing core income - although operating block arrangement for Q1 & Q2 as per National DoF agreement. Review Sept 20	FIN	Dep Dir Finance	1.10.20	31.12.20	Completed	LTA Block Contract for full Financial Year 20/21. Discussions commencing with Commissioners for Financial Year 21/22.
CQ3/4	CQ3.1	Support the ongoing needs of the Transforming Cancer Services programme including the internal communications and engagement needs of the Velindre Futures programme at the Velindre Cancer Centre	COMMS	Asst Dir of Comms	1.9.20	31.3.21	Modified built upon for action in 2021/22	Ongoing through 2021/22
CQ3/4	CQ3.2	Continue to promote key external messages to maintain the blood supply chain	COMMS	Asst Dir of Comms	1.10.20	31.3.21	Modified built upon for action in 2021/22	Ongoing through 2021/22
CQ3/4	CQ3.3	Continue to celebrate the achievements of Velindre Cancer Centre and Welsh Blood Service staff to maintain public confidence in service delivery	COMMS	Asst Dir of Comms	1.10.20	31.3.21	Modified built upon for action in 2021/22	Ongoing through 2020/21. First Velindre Matters external newsletter scheduled for 10 May 2021.
CQ3/4	CQ3.4	Deliver, in partnership with the relevant Community Health Councils and third sector stakeholders, a new patient	COMMS	Asst Dir of Comms	1.10.20	31.12.20	Modified built upon for action in 2021/22	Work underway to commence new patient engagement strategy in partnership with patients, key stakeholders with the support of the

		engagement strategy by December 2020 aligned to the engagement principles enshrined in the Future Generations Act.						Wales Cooperative Centre underway and scheduled for completion by November 2021.
CQ3/4	CQ3.5	Continue to work closely with colleagues across NHW Wales and Welsh Government to ensure the delivery of consistent and complementary public messages .	COMMS	Asst Dir of Comms	1.10.20	31.3.21	Modified built upon for action in 2021/22	Ongoing through 2021/22
FQ3	FQ3.26	Supporting All Wales Radiology Information System Procurement	FIN	Dep Dir Finance	1.10.20	31.3.21	Modified built upon for action in 2021/22	Ongoing support provided
FQ3	FQ3.27	Supporting TCS and associated Programmes and Procurements such as the Integrated Radiotherapies Solution and Satellite Centre at Neville Hall	FIN	Dep Dir Finance Head of Fin Bus Partner	1.10.20	31.3.21	Modified built upon for action in 2021/22	Commissioners engaged frequently to ensure understanding and discuss considerations of financial impact of ongoing business cases

Progress on 2020/21 Quarterly (Q1234) Actions Delivery to 'close the governance loop' for Quality Safety and Performance Committee

Action Successfully Completed in 2020/21	BLUE
No longer relevant/superseded by changed circumstances	YELLOW
Paused due to COVID-19 priorities, but still relevant when 'normal' returns in 2021/22	AMBER
Modified/built upon into revised action for 2021/22	GREEN

TRUST BOARD

NURSE STAFFING LEVELS (WALES) ACT 2016

DATE OF MEETING	8 th June 2021
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PUBLIC OR PRIVATE REPORT	Public
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IF PRIVATE PLEASE INDICATE REASON	Non Applicable
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PREPARED BY	Anna Harries, Senior Nurse Professional Standards & Digital & Amy Mumford, Deputy Head of Nursing Velindre Cancer Centre
PRESENTED BY	Nicola Williams, Executive Director of Nursing, Allied Health Professionals & Healthcare Sciences
EXECUTIVE SPONSOR APPROVED	Nicola Williams, Executive Director of Nursing, Allied Health Professionals & Healthcare Sciences

REPORT PURPOSE	FOR DISCUSSION / REVIEW
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COMMITTEE / GROUP WHO HAVE RECEIVED OR CONSIDERED THIS PAPER PRIOR TO THIS MEETING

COMMITTEE OR GROUP	DATE	OUTCOME
Executive Management Board	4 th May 2021	Approved
Quality, Safety & Performance Committee	13 th May 2021	Approved

1. SITUATION

This paper is provided to the Trust Board to **REVIEW** and **APPROVE** the content of the Nurse Staffing Act (Wales) Annual Report and the first 3 yearly report.

2. BACKGROUND

The Nurse Staffing Levels (Wales) Act 2016 requires health service bodies to make provision for safe nurse staffing levels, and to ensure that nurses are deployed in sufficient numbers. The Act is intended to:

- Enable the provision of safe nursing care to patients at all times;
- Improve working conditions for nursing and other staff; and
- Strengthen accountability for the safety, quality and efficacy of workforce planning and management.

Health Boards / Trusts are required to demonstrate compliance with sections 25A, 25B, and 25C of the Act, and formerly report this information to their Board. For the first three years of the Act Velindre University NHS Trust had been identified as only being required to comply with section 25A - the overarching responsibility to have regard to providing sufficient nurses in all settings. This decision had been made using a purest definition of a medical / surgical ward.

Section 25B (Duty to calculate and take steps to maintain nurse staffing levels) - applies to adult acute medical inpatient wards and adult acute surgical inpatient wards and places a duty for Local Health Boards and NHS Trusts in Wales (where applicable) to calculate and take all reasonable steps to maintain nurse staffing levels and inform patients of the level. The nurse staffing level is the number of nurses appropriate to provide care to patients that meets all reasonable requirements in the relevant situation. The number of nurses means the number of registered nurses (this being those with a live registration on Sub Parts 1 or 2 of the Nursing and Midwifery Council register). In calculating the nurse staffing level, account can also be taken of nursing duties that are undertaken under the supervision of, or delegated to another person by, a registered nurse.

Section 25B - sets out that where a Local Health Board ("LHB") or NHS Trust in Wales ("Trust") provides nursing services in a clinical setting to which that section applies, it must designate a person or a description of a person, known as the "designated person" to calculate the nurse staffing level for that setting. The designated person must act within the LHB's (or Trust's) governance framework authorising that person to undertake this calculation on behalf of the Chief Executive Officer of the LHB (or Trust). In view of the requirement to exercise

nursing professional judgement when calculating nurse staffing levels, the designated person should be registered with the Nursing and Midwifery Council.

The Executive Management Board and the Trust Board agreed that the inpatient Ward at Velindre Cancer Centre (First Floor Ward) does fit within the wider definition of a medical ward (non-surgical oncology wards in other parts of Wales e.g. Singleton Hospital Ward 12 are included in 25B,C &D of the Act), and therefore should from the 1st April 2021 will become part of the full requirements of the Act and its full reporting requirements.

3. ASSESSMENT / SUMMARY OF MATTERS FOR CONSIDERATION

3.1 Nurse Staffing Act Reporting

A reporting template has been developed by the All Wales Nurse Staffing Group to enable Health Boards to report compliance with the Nurse Staffing Levels (Wales) Act 2016 in a standardized way. Health Boards are required to demonstrate compliance with sections 25A, 25B, and 25C of the Act, and formerly report this information to their Board.

Up until March 2021 the inpatient Ward (First Floor) at Velindre Cancer Center was only required to comply with section 25A - the overarching responsibility to have regard to providing sufficient nurses in all settings to provide sensitive care to patients. The standardized reporting template has been used to capture the Trust's compliance with relevant sections of the Act, and sections that are not applicable have been marked N/A. This is attached in **Appendix 1**. This report details that there were no incidents that occurred within the First Floor Ward as a result of Nurse Staffing levels.

There is no requirement for Velindre University NHS Trust at present to complete a three year Nurse Staffing Act report for Welsh Government as up until March 2021 it was determined that only Section 25A was relevant. This will be a requirement from 1st April 2021. However, despite this in order for total transparency the Trust has completed the three year report template. This is attached in **Appendix 2**.

3.2 Plans to Further Enhance monitoring & compliance with Nurse Staffing Act Requirements

The following actions are being taken by Velindre University NHS Trust to further enhance its ability to robustly evidence that it is meeting the Nurse Staffing Act Requirements:

- First Floor ward reporting on Nurse Staffing Act (2016)** - On the 25th March 2021 Trust Board approved that the First Floor Ward at Velindre Cancer Centre would be recognized as a medical ward in line with the requirements of the Nurse Staffing Levels (Wales) Act 2016. Therefore, from the 1st April 2021 the full reporting requirements of the Act in relation to this ward came into effect.
- Launch of electronic nurse rostering (six Nursing units in VCC) – Health Roster (ALLOCATE)** – Allocate has been fully implemented within six nursing areas (including First Floor Ward) at Velindre Cancer Centre. The Safe Care module (reporting module) implementation is currently being planned.
- Acuity Reviews** – it is critically important to understand acuity levels across services if we are doing to appropriately deploy staff and set appropriate staffing levels. There is a 6 monthly national benchmarked acuity review undertaken at present (June & January each year, although moved to July 2020 due to COVID). Inpatient areas in Velindre Cancer Centre have moved to daily acuity capture and there are plans to increase the frequency to at least twice daily and cover other areas such as SACT. The January 2021 Audit was cancelled (national decision) due to COVID19 pressures but the June 2021 review will be undertaken.
- Establishment Reviews** – Following each audit and availability of national benchmarked data is available the Executive Director of Nursing, AHP & Health Science and Head of Nursing will undertake a formal establishment review across all nursing areas within Velindre Cancer Centre. The last review was Aug 2020 based on July 2020 data.

3.3 COVID-19 Response Phase Surge Nursing Staffing Contingency Plan

As part of the COVID-19 response phase emergency planning for unprecedented surge significant work was done to develop robust nurse staffing plan to safely meet patient needs. These were very detailed and actively involved the Research Nurse Team, Nurses from all areas across the Cancer Centre and Nurses from Welsh Blood Service. A plan for 'ideal' staffing levels as well as minimal levels in the event of worse-case scenario staffing deficits that should never ever be worked below were agreed. It was identified that the minimal levels were not ideal and would have reduced the quality of care patients received but this was an unprecedented emergency. As patient numbers did not increase and in fact have been lower than normal staffing levels to date the Trust has not needed to go below agreed 'ideal' establishment levels. Despite there being on some occasions high absenteeism related to COVID there has continued to be sufficient nursing staff in

place to care sensitively for patients given the reduced patient numbers within the ward. When possible, and without affecting staff / patient ratio's First Floor Ward staff have when patient numbers / acuity allow, been able to support SACT delivery to ensure that cancer patients to receive their vital treatment.

4. IMPACT ASSESSMENT

QUALITY AND SAFETY IMPLICATIONS/IMPACT	Yes (Please see detail below)
	There is a strong evidence base that links nurse staffing levels with patient experience and outcomes.
RELATED HEALTHCARE STANDARD	Safe Care
	Individual care, Timely care, Dignified Care, Staff & resources
EQUALITY IMPACT ASSESSMENT COMPLETED	Not required
LEGAL IMPLICATIONS / IMPACT	Yes (Include further detail below)
	Compliance with the relevant sections of the Nurse Staffing Levels (Wales) Act 2016 is a statutory obligation and will be subject to scrutiny
FINANCIAL IMPLICATIONS / IMPACT	Yes (Include further detail below)
	Given the duty of the act, in the event of patient acuity and / or numbers increasing the staffing levels will need to be increased accordingly. This will have a financial impact

5. RECOMMENDATION

The Trust Board is asked to:

- **REVIEW** and **APPROVE** the content of the Nurse Staffing Act (Wales) Annual Report; and
- **REVIEW** and **APPROVE** the content of the Nurse Staffing Act (Wales) 3 yearly Report prior.

Annual Assurance Report on compliance with the Nurse Staffing Levels (Wales) Act

Health board	Velindre University NHS Trust
Date annual assurance report with compliance with the Nurse Staffing Levels (Wales) Act is presented to Board	May 2021
Reporting period	6 th April 2020 -5 th April 2021
Requirements of Section 25A Section 25A refers to the Health Boards/Trusts overarching responsibility to ensure appropriate nurse staffing levels <u>in any area where nursing services are provided or commissioned, not only adult medical and surgical wards.</u>	<p>Velindre University NHS Trust is required to be compliant with Section 25A of the Act, a process of review and recalculation using the evidence based methodology has been introduced. As a result patient acuity data is routinely collected on the inpatient ward using the Welsh Levels of Care tool. The ward configuration at Velindre Cancer Centre has changed in bed numbers during 2020. Velindre inpatient configuration has remained at one ward since 2019/2020 report.</p> <p style="text-align: center;">National Acuity Review is available for July 2020. National Acuity Review was cancelled in January 2021 for all areas in Wales due to the COVID-19 Pandemic.</p> <p>The impact of the Pandemic has effected many aspects including not having the January data to report and base establishment reviews.</p>
Progress to support for suite of workstreams under the All Wales Nurse Staffing Programme	<p>Velindre University NHS Trust has been represented through all work streams despite not having many of the work streams under the trust. This has proved difficult at times with the pandemic and being a smaller team but the commitment is evident.</p> <p>The Chief Nursing Officer letter of 24th March 2020 specifically referenced the disruption that the Covid pandemic would cause to the ongoing work to extend the Act's second duty to paediatric inpatient wards. In October 2020 Welsh Government advised that the coming into force date for the extension has been postponed provisionally until October 2021. The Nurse Staffing Programme Team and the paediatric workstream have devised a suite of supportive mechanisms to prepare Health Boards for the extension of the second duty of the Act. Following a consultation process during the Autumn of 2020, the Statutory Guidance has been revised to include paediatric inpatients.</p> <p>The Trust has representation on each of the workstream groups within the All Wales Nurse Staffing Programme and is actively contributing to the development of evidence based workforce planning tools in preparation for further extension of the second duty of the Act to other areas in the future.</p>

Actions taken in relation to calculating the nurse staffing level on section 25B wards during the reporting period.

- **Adult acute medical inpatient wards**
- **Adult acute surgical inpatient wards**

As Section 25B of the Act does not apply to the Trust for this reporting period, the Trust is not required to comply with Section 25E of the Act.

However there are processes in place to maintain the nurse staffing level within the Cancer Centre, which includes escalation to the Deputy/Head of Nursing. A further establishment review will be undertaken upon receipt of all Wales Acuity Benchmarking data. This occurred following July Acuity but with no data available for January 2021 this was not possible.

However, there are processes in place to monitor nurse staffing levels within the Cancer Centre, with oversight by the Deputy/Head of Nursing. Datix records are all reviewed daily and staffing levels are covered during site handover twice daily meetings. The Senior Nurse on site is responsible for ensuring safe deployment of staff in line with the Act requirements on a day by day basis.

Rostering is now electronic through HealthRoster (ALLOCATE) allowing easy access/review to all rosters

From April 2021 Velindre first floor ward will be reclassified as an adult acute Medical inpatient ward and a section 25B reporting ward.

There were no Datix incidents reported during the year related to nurse staffing levels

Annual presentation of the nurse staffing level to the Board is May 2021

The normal process by which the Board would receive the annual assurance report was disrupted by the Covid-19 pandemic. The Chief Nursing Officer for Wales issued a formal letter on the 24 March 2020 to provide Health Boards and Trusts with clarity and assurances around how Covid-19 pressures would disrupt the business as usual processes of the Nurse Staffing Levels (Wales) Act 2016 (NSLWA). Welsh Government left it to the discretion of each Health Board to decide whether to proceed or cease work on the bi-annual recalculation of adult medical and surgical wards. In accordance with the 'Once for Wales' approach Nurse Directors agreed that their organisations would defer the bi-annual audit and subsequent calculations of nurse staffing level until July 2020. In April 2020 guidance and templates were issued to Health Boards/Trusts to enable organisations to evidence the approach taken to determine the staffing levels that are required on their inpatient wards where the required staffing level has been affected during the COVID-19 pandemic. The organisation presented a paper to Board in May 2020 to provide assurance on how nurse staffing levels were being/to be calculated and maintained during this period.

In October 2020 The Chief Nursing Officer for Wales issued a follow up formal letter providing further clarity, reflecting the changes organisations had been required to make to patient pathways/ designation of wards across their acute sites, on the definition of wards for inclusion/exclusion under Section 25B of the Act, and the expectations upon Health Boards in relation to calculating the nurse staffing levels in such wards.

Using the triangulated approach to calculate the nurse staffing level on section 25B wards



Within Velindre Cancer Centre a process of review and calculation of nurse staffing levels has been introduced, using the evidence based methodology. The Welsh Levels of Care document provides an evidence based workforce tool that is mandated for use as part of the triangulated method of calculating nurse staffing levels.

Using the Welsh Levels of Care, patient's nursing needs / activities of daily living are assessed. This includes taking into consideration the holistic needs of the patient, including social, psychological, spiritual and physical requirements.

When calculating nurse staffing levels, quality indicators including the extent to which patients' well-being is known to be sensitive to the provision of care by a nurse is taken into consideration including: medication administration errors, patient fall resulting in harm and hospital acquired pressure ulcers. To aid this, an updated incident reporting DATIX system has been adopted within Velindre University NHS Trust, allowing this data to be easily accessible and reportable.

Professional judgement is exercised; considering the qualifications, competencies, skills and experience of the nurses providing care to patients. Including consideration for continuing professional development and the effect on the nurse staffing level, including consideration of the use of temporary staff. In addition to this Velindre Cancer Centre have implemented an electronic nurse roster (HealthRoster), this provides an evidence base of key performance indicators and allows review of rosters and temporary staff instantly through digital technology.

Patient acuity data is routinely collected on inpatient wards using the Welsh Levels of Care tool, however moving forward the safe care module within the HealthRoster system could be used following all Wales implimentaion.

The ward sister/charge nurse remains in a supervisory capacity to the planned roster and the current whole time equivalent establishment includes the uplift of 26.9%.

A recent Audit completed resulted in substantial assurance with no recommendations



VT2021.13 Nurse
Staffing Levels Act Fir

Informing patients

Information regarding the nurse staffing levels is displayed at the entrance to the ward informing patients and relatives about the nurse staffing level.

This was also identified and evidenced as practice from the internal audit.

Section 25E (2a) Extent to which the nurse staffing levels are maintained	
As the nurse staffing level is defined under the NSLWA as comprising both the planned roster <i>and</i> the required establishment, this section should provide assurance of the extent to which the planned roster has been maintained <i>and</i> how the required establishments for Section 25B wards have been achieved/maintained over the reporting period.	

As the nurse staffing level is defined under the NSLWA as comprising both the planned roster *and* the required establishment, this section should provide assurance of the extent to which the planned roster has been maintained *and* how the required establishments for Section 25B wards have been achieved/maintained over the reporting period.

The extent to which the nurse staffing levels have been maintained	Period covered	Required establishment (WTE) of S25B wards at the beginning of the annual reporting period. (April 2020)		Required establishment (WTE) of S25B wards calculated during first cycle (May 2020)		WTE of required establishment of S25B wards funded following first (May) calculation cycle		Required establishment (WTE) of S25B wards calculated during second cycle (Nov 2020)		WTE of required establishment of S25B wards funded following second (Nov2020) calculation cycle	
	2020-2021	RN: 26.65	HCSW: 20.73	RN: 26.65	HCSW: 20.73	RN: 26.65	HCSW: 20.73	RN: 23.68	HCSW: 23.68	RN: 23.68	HCSW: 23.68

The latest staffing establishment review was completed post Acuity audit resulting in the figures present above.

The number of wards under section 25B is likely to have changed during the reporting period. For more details of individual wards and their calculated nurse staffing levels, refer to the annual assurance reports. (include links).

When the second duty of the Nurse Staffing Levels (Wales) Act 2016 (the Act) came into force in April 2018, there was no consistent solution to e of the data explicitly required under section 25E, and health boards were using a variety of e-rostering and reporting systems. During the repd 2019/20, all health boards/trusts in Wales worked as part of the All Wales Nurse Staffing Programme to develop a consistent approach to capturing data on a daily basis (in lieu of a single ICT solution) to enable each organisation to demonstrate the extent to which the nurse staffing levels across board.

For the 2018/9 and 2019/20 annual reports, this health board - together with all other health boards/trusts in Wales - provided narrative to describe to which the nurse staffing levels have been maintained in order to meet its statutory reporting requirement under Section 25E of the Act. During the period 2020/21 all health boards/trusts in Wales have begun to implement and use the NWIS delivered enhancements to the NHS Wales Health Monitoring System (HCMS). In light of this development, made available to Health Boards/Trusts across 1st July 2020, organisations have had access to a consistent approach to capturing quantitative data on a daily basis to enable each organ demonstrate the extent to which the nurse staffing levels across the health board have been maintained in areas which are covered by Section 2 Act: The limited quantitative data that this approach has provided for 2020/21 for this Health Board is presented and discussed below.

When the second duty of the Nurse Staffing Levels (Wales) Act 2016 (the Act) came into force in April 2018, there was no consistent solution to e-rostering of the data explicitly required under section 25E, and health boards were using a variety of e-rostering and reporting systems. During the reporting period 2019/20, all health boards/trusts in Wales worked as part of the All Wales Nurse Staffing Programme to develop a consistent approach to capturing data on a daily basis (in lieu of a single ICT solution) to enable each organisation to demonstrate the extent to which the nurse staffing levels across the board.

For the 2018/9 and 2019/20 annual reports, this health board - together with all other health boards/trusts in Wales - provided narrative to describe to which the nurse staffing levels have been maintained in order to meet its statutory reporting requirement under Section 25E of the Act. During the period 2020/21 all health boards/trusts in Wales have begun to implement and use the NWIS delivered enhancements to the NHS Wales Health Monitoring System (HCMS). In light of this development, made available to Health Boards/Trusts across Wales from 1st July 2020, organisations have had access to a consistent approach to capturing quantitative data on a daily basis to enable each organisation to demonstrate the extent to which the nurse staffing levels across the health board have been maintained in areas which are covered by Section 25E of the Act. The limited quantitative data that this approach has provided for 2020/21 for this Health Board is presented and discussed below.

	Looking forward, NHS Wales is committed to utilising a national informatics system that can be used as a central repository for collating data to evidence the extent to which the nurse staffing levels have been maintained and to provide assurance that all reasonable steps have been taken to maintain the nurse staffing levels required. It is anticipated that during the next reporting period (2021-2024) a once for Wales informatics system will be developed and will support Health Boards/Trusts in meeting the reporting requirements of the Act and the Once for Wales approach will ensure consistency. Discussions continue on a national basis to identify the national system and the Nurse Staffing Programme team is working with providers to ensure the system is able to support NHS Wales in collating the data required to inform the reporting requirements
Process for maintaining the nurse staffing level	During COVID restrictions the bed capacity has altered within First Floor (FF), which has resulted in change of establishment. Whilst FF ward was outside of the formal reporting for the 2020-2021 period, practice has been in line with formal process.

Section 25E (2b) Impact on care due to not maintaining the nurse staffing levels

Patients harmed with reference to quality indicators and complaints (*) which are classified as serious incidents and reported centrally NOTE: (*) complaints refers to those complaints made under complaints regulations (Putting	1) Total number of closed serious incidents/complaints during <u>last</u> reporting period	2) Total number of closed serious incidents/complaints during <u>current</u> reporting period.	3) Total number of serious incidents/complaints not closed and to be reported on/during the <u>next</u> reporting period	4) Increase/decrease) in the number of closed serious incidents/complaints between reporting periods (**)	5) Number of serious incidents/complaints where failure to maintain the nurse staffing level was considered to have been a factor

Things Right (PTR)					
Hospital acquired pressure damage (grade 3, 4 and unstageable).	0	0	0	Decrease	0
Falls resulting in serious harm or death (i.e. level 4 and 5 incidents).	0	0	0	No change remains 0	0
Medication related never events.	0	0	0	No Change remains 0	0
Complaints about nursing care	0	0	0	No change remains 0	0




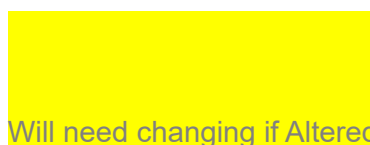
NOTE ():** In relation to the data presented in Column 4 above, direct comparison between the numbers of closed SI's/Complaints reported during 2019/20 and the number reported in 2020/21 should not be made due to the significant changes in the number/size/patient pathway etc of wards classified under Section 25B during 2020/21 as a result of operational changes made during the Covid-19 pandemic period.

Section 25E (2c) Actions taken if the nurse staffing level is not maintained

Actions taken when the nurse staffing level was not maintained	<ul style="list-style-type: none"> No additional actions were taken or required during 2020-2021 within Velindre Cancer Centre as there were no datix incident investigations that demonstrated that nurse staffing levels were a contributing factor. All incidents related to inpatient falls and pressure ulcers are scrutinised as a multidisciplinary group on a monthly basis and nurse staffing is considered as a possible contributing factor as part of the investigations carried out. The medication safety group meets monthly to discuss all incidents related to medication errors and to share good practice and any relevant learning. No new significant errors reported within this reporting period related to nurse staffing.
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	<ul style="list-style-type: none">Weekly complaints meetings support conversations around complaints received which includes nursing and first floor, learning logs are shared at the Quality and Safety management meeting, no serious complaints reported that are directly related to first floor nursing.
Conclusion & Recommendations	
	<ul style="list-style-type: none">Full reporting moving forward for First Floor ward as a section 25b reporting ward from April 2021.The reports for 2020-2021 have been completed and reported in line with 25b reporting wards.Based on findings of the report the Trust begins reporting from a zero from incident reports and establishmentNext steps will include legal responsibility to the Act

	Three-Yearly Assurance Report on compliance with the Nurse Staffing Levels (Wales) Act: Report for Welsh Government
Health board	Velindre University NHS Trust
Reporting period	<p>The reporting period is 6th April 2018-5th April 2021. However, due to the timeframe for closing serious incident reports, the three-yearly reports that go to Boards in May 2021 will only include data relating to serious incidents closed by 28th February 2021.</p> <p>A final, updated version of the report - including all serious incident reports that occurred prior to April 5TH 2021 - which should by then be closed - will be presented to the Board and then Welsh Government in September 2021.</p>
Requirements of Section 25A	<p>Velindre University NHS Trust is required to be compliant with Section 25A of the Act, a process of review and recalculation using the evidence based methodology has been introduced. As a result patient acuity data is routinely collected on the inpatient ward using the Welsh Levels of Care tool. The ward configuration at Velindre Cancer Centre has changed in Ward number and bed numbers during this three year period. Velindre inpatient configuration has remained to one ward since 2019/2020 report.</p> <p>Following each acuity audit the Nurse Staffing establishment is now reviewed as a senior team using the Triangulated approach. This was required as each service altered through COVID19 pandemic.</p> <p>There has been extreme and unprecedented pressures on the Trust since March 2020 as a result of the COVID19 pandemic and staff have had to support patients in ways that they would normally be supported by family and loved ones. There were new pressures on staff to support patients digitally from the ward to keep in touch with home and other professionals.</p>

	2018/2019	2019/2020	2020/2021
Date annual assurance report of compliance with the Nurse Staffing Levels (Wales) Act presented to Board	Annual assurance report presented to Board May 2019	Annual assurance report presented to Board in July 2020 deferred from May due to impact of the COVID-19 Pandemic.	Three yearly assurance report due to be presented to Board in May 2021
Number of adult acute <u>medical</u> inpatient wards where section 25B applies	0  8.4a Reporting template 2018-19 EM	0  Year report NSA 2019-20 EMB June 20	0  Velindre Annual Assurance Report on  Will need changing if Altered
Number of adult acute <u>surgical</u> inpatient wards where section 25B applies	0	0	0
Number of occasions where the nurse staffing level recalculated in addition to the bi-annual calculation for all wards subject to Section 25B	NA	NA	NA
Changing the purpose of the adult acute medical and surgical wards to support the management of	<ul style="list-style-type: none"> In 2019-2020 reporting period the two inpatient wards were combined in Velindre Cancer Centre. Therefore First Floor ward is the only inpatient ward and not a Section 25B reporting ward until 2021-2022. In 2020-2021 the bed capacity reduced on First Floor through COVID social distancing assessments. 		

COVID or opening new COVID wards.	
The process and methodology used to inform the triangulated approach	<p>Within Velindre Cancer Centre a process of review and calculation of nurse staffing levels was introduced in 2019-2021, using the evidence based methodology. The Welsh Levels of Care document provides an evidence based workforce tool that is mandated for use as part of the triangulated method of calculating nurse staffing levels.</p> <p>Using the Welsh Levels of Care, patient's nursing needs / activities of daily living are assessed. This includes taking into consideration the holistic needs of the patient, including social, psychological, spiritual and physical requirements.</p> <p>When calculating nurse staffing levels, quality indicators including the extent to which patients' well-being is known to be sensitive to the provision of care by a nurse is taken into consideration including: medication administration errors, patient falls and hospital acquired pressure ulcers. To aid this an updated incident reporting DATIX has been adopted within Velindre University NHS Trust, allowing this data to be easily accessible and reportable.</p> <p>Professional judgement is exercised; considering the qualifications, competencies, skills and experience of the nurses providing care to patients. Including consideration for continuing professional development and the effect on the nurse staffing level, including consideration of the use of temporary staff. In addition to this Velindre Cancer Centre have gone live with an electronic nurse roster (HealthRoster), this produces an evidence base of key performance indicators and allowing review of rosters and temporary staff instantly through digital technology.</p> <p>Patient acuity data is routinely collected on inpatient wards using the Welsh Levels of Care tool, this is now routinely completed.</p> <p>The ward sister/charge nurse remains supernumerary to the planned roster and the current whole time equivalent establishment includes the required 26.9% headroom.</p> <p>From April 2021 First Floor ward will be a 25B reporting area, since 2019 figures have been report in line with the Act despite formal requirement.</p>

Section 25E (2a) Extent to which the nurse staffing level is maintained

As the nurse staffing level is defined under the NSLWA as comprising both the planned roster *and* the required establishment, this section should provide assurance of the extent to which the planned roster has been maintained *and* how the required establishments for Section 25B wards have been achieved/ maintained over the reporting period.

This is not required for Velindre University NHS Trust as not a section 25B reporting ward for this period, however will be reported moving forward from April 2021.

		2017/2018	2018/19	2019/20	2020/21
Extent to which the required establishment has been maintained within wards under section 25B	Required establishment (WTE) of S25B wards <u>prior</u> to commencement of the Acts second duty (March 2018)	RN:			
		HCSW:			
	Required establishment (WTE) of S25B wards calculated during first cycle (May)	RN:	RN:	RN:	RN:26.65
		HCSW:	HCSW:	HCSW:	HCSW:20.73
	WTE of required establishment of S25B wards funded following first (May) calculation cycle	RN:	RN:	RN:	RN:26.65
		HCSW:	HCSW:	HCSW:	HCSW:20.73
	Required establishment (WTE) of S25B wards calculated during second cycle (Nov)	RN:	RN:	RN:	RN:23.68
		HCSW:	HCSW:	HCSW:	HCSW:23.68
	WTE of required establishment of S25B wards funded following second (Nov) calculation cycle	RN:	RN:	RN:	RN:23.68
		HCSW:	HCSW:	HCSW:	HCSW:23.68
	Accompanying narrative: <ul style="list-style-type: none"> Despite no legal responsibility to report this has been entered for 2020/2021 as a baseline pre April 2021 reporting as a 25B ward. <p><i>The number of wards under section 25B is likely to have changed during the reporting period. For more details of individual wards and their calculated nurse staffing levels, refer to the annual assurance reports. (include links).</i></p>				
Extent to which the nurse staffing levels are maintained within Section 25B wards	<p><i>When the second duty of the Nurse Staffing Levels (Wales) Act 2016 (the Act) came into force in April 2018, there was no consistent solution to extracting all of the data explicitly required under section 25E, and health boards were using a variety of e-rostering and reporting systems. During the reporting period 2019/20, all health boards/trusts in Wales worked as part of the All Wales Nurse Staffing Programme to develop a consistent approach to capturing quantitative data on a daily basis (in lieu of a single ICT solution) to enable each organisation to demonstrate the extent to which the nurse staffing levels across the health board.</i></p>				

For the 2018/9 and 2019/20 annual reports, this health board - together with all other health boards/trusts in Wales - provided narrative to describe the extent to which the nurse staffing levels have been maintained in order to meet its statutory reporting requirement under Section 25E of the Act.

During the reporting period 2020/21 all health boards/trusts in Wales have begun to implement and use the NWIS delivered enhancements to the NHS Wales Health and Care Monitoring System (HCMS). In light of this development, made available to Health Boards/Trusts across Wales on 1st July 2020, organisations have had access to a consistent approach to capturing quantitative data on a daily basis to enable each organisation to demonstrate the extent to which the nurse staffing levels across the health board have been maintained in areas which are covered by Section 25B/C of the Act: The limited quantitative data that this approach has provided for 2020/21 for this Health Board is presented and discussed below.

Looking forward, NHS Wales is committed to utilising a national informatics system that can be used as a central repository for collating data to evidence the extent to which the nurse staffing levels have been maintained and to provide assurance that all reasonable steps have been taken to maintain the nurse staffing levels required. It is anticipated that during the next reporting period (2021-2024) a once for Wales informatics system will be developed and will support Health Boards/Trusts in meeting the reporting requirements of the Act and the Once for Wales approach will ensure consistency. Discussions continue on a national basis to identify the national system and the Nurse Staffing Programme team is working with providers to ensure the system is able to support NHS Wales in collating the data required to inform the reporting requirements

Process for maintaining the nurse staffing level for Section 25B wards

N/A - As Section 25B of the Act does not apply to the Trust, the Trust is not required to comply with Section 25B or E of the Act. However there are processes in place to monitor nurse staffing levels within the Cancer Centre, with oversight by the Deputy/ Head of Nursing. Datix records are all reviewed daily and staffing levels are covered during site handover twice daily meetings. The Senior Nurse on site is responsible for ensuring safe deployment of staff in line with Act requirements on a day by day basis.

Section 25E (2b) Impact on care due to not maintaining the nurse staffing levels in Section 25B wards

April 6th 2018 – April 5th 2021

Patients harmed with reference to quality indicators and complaints (*) which are classified as serious incidents

Total number of closed serious incidents/ complaints during last reporting period

Total number of closed serious incidents/complaints during current reporting period.

Total number of serious incidents/complaints not closed and to be reported on/during the next reporting period

Increase (decrease) in number of closed serious incidents/ complaints between reporting periods

Number of (closed) serious incidents/complaints where failure to maintain the nurse staffing

and reported centrally					level was considered to have been a factor
NOTE: (*) complaints refers to those complaints made under NHS Wales complaints regulations (Putting Things Right (PTR))					
<ul style="list-style-type: none"> Hospital acquired pressure damage (grade 3, 4 and unstageable). 	9	0	0	Reduced	0
<ul style="list-style-type: none"> Falls resulting in serious harm or death (i.e. level 4 and 5 incidents). 	0	0	0	Remains 0	0
<ul style="list-style-type: none"> Medication related never events. 	0	0	0	Remains 0	0

<ul style="list-style-type: none"> Complaints about nursing care resulting in patient harm (*) (*) This information is not required for period 2018/19 	0	0	0	Remains 0	0
Section 25E (2c) Actions taken if nurse staffing level is not maintained					
Actions taken when the nurse staffing level was not maintained in Section 25B Wards	<ul style="list-style-type: none"> No additional actions were taken or required during 2020-2021 within Velindre Cancer Centre as there were no datix incident investigations that demonstrated that nurse staffing levels were a contributing factor. All incidents related to inpatient falls and pressure ulcers are scrutinised as a multidisciplinary group on a monthly basis and nurse staffing is considered as a possible contributing factor as part of the investigations carried out. The medication safety group meets monthly to discuss all incidents related to medication errors and to share good practice and any relevant learning. No new significant errors reported within this reporting period related to nurse staffing. Weekly complaints meetings support conversations around complaints received which includes nursing and first floor, learning logs are shared at the Quality and Safety management meeting, no serious complaints reported that are directly related to first floor nursing. 				
Conclusion & Recommendations	<ul style="list-style-type: none"> Full reporting moving forward for First Floor ward as a section 25b reporting ward from April 2021. The reports for 2020-2021 have been completed and reported in line with 25b reporting wards. Based on findings of the report the Trust begins reporting from a zero from incident reports and establishment Next steps will include legal responsibility to the Act 				

TRUST BOARD

HIGHLIGHT REPORT FROM THE CHAIR OF THE TCS PROGRAMME SCRUTINY SUB-COMMITTEE

DATE OF MEETING	08/06/21	
PUBLIC OR PRIVATE REPORT	Public	
IF PRIVATE PLEASE INDICATE REASON	Not Applicable - Public Report	
PREPARED BY	Katie Foward, TCS Programme Coordinator	
PRESENTED BY	Stephen Harries, Independent Member	
EXECUTIVE SPONSOR APPROVED	Carl James, Director of Strategic Transformation, Planning and Digital	
REPORT PURPOSE	FOR NOTING	
COMMITTEE/GROUP WHO HAVE RECEIVED OR CONSIDERED THIS PAPER PRIOR TO THIS MEETING		
COMMITTEE OR GROUP	DATE	OUTCOME
Quality, Safety & Performance Committee	13/05/21	FOR NOTING
ACRONYMS		
nVCC TCS WG RSC	New Velindre Cancer Centre Transforming Cancer Services Welsh Government Radiotherapy Satellite Centre	

1. PURPOSE

- 1.1 This paper has been prepared to provide the Board with details of the key issues considered by the TCS Programme Scrutiny Sub-Committee at its Public meeting on the 20th May 2021.
- 1.2 This is not considered a full update on the Programme but a high level record of the matters of business conducted by the TCS Programme Scrutiny Sub-Committee.
- 1.3 Key highlights from the meeting are reported in section 2.
- 1.4 The Board is requested to **NOTE** the contents of the report and actions being taken.

2. HIGHLIGHT REPORT

ALERT / ESCALATE	
ADVISE	<p>TCS Programme Financial Plan</p> <p>The Sub-Committee were advised that the plans are based against the current known funding. The Outline Business Case funding has now been agreed for Projects 1&2. Full Business Case funding approval is expected in Quarter 3 or 4 and would provide funding additional to that set out in the current plan. The revenue funding is being provided from both core Trust funds and from Commissioners. The plan reflects the latest estimates for budgets and amendments will be made where required during the ongoing management of the plan. Arrangements are in place for robust reporting including to the Quality, Safety & Performance Committee for assurance. There are no financial risks associated with the plan at this time and any risks will be reported as they arise.</p>
ASSURE	<p>TCS Programme Risk Register</p> <p>The Sub-Committee noted work undertaken by the Programme Planner and Risk Advisor. The cover paper accompanying the register provides a summary breakdown of the changes made to each of the risks for audit purposes. The Programme risks are now under regular review with each of the Project Managers and Programme risk owners. All changes to the actions this month have been captured and there is a clear audit trail of all work undertaken. The number of higher rated risks within the Programme has reduced further this month with clear prioritisation and management plans in place. The Programme have raised one issue, a member of the team has been recruited to Velindre Futures and as such there is now a resource issue. Plans are in place to resource and recruit appropriately.</p>

	<p>Internal Audit 2020-21 and 2021-22 Plan</p> <p>The Sub-Committee were advised of the excellent reports from internal audit. The recommendations outlined are now mostly complete with only one remaining outstanding. The 2021-22 audit plan is based on a thorough financial risk assessment. Audit work will commence from July 2021 to December 2021 which will be a challenging time for the Project as dialogue with bidders will have commenced.</p> <p>RSC Public Engagement</p> <p>The Sub-Committee were advised of the communications work completed in partnership with Aneurin Bevan, other Health Boards and the Community Health Council (CHC). The survey questions have been amended following engagement with the CHC mainly to remove specific terminology which may not be familiar to the public. The CHC have approved the document, survey, and equality impact assessment. Public engagement will be launched this week including a video with British Sign Language translation. The findings from the engagement will be presented to the CHC in August to determine whether full public engagement is required.</p> <p>RSC Stage Three Design Sign Off</p> <p>The Sub-Committee were advised that the Full Business Case is expected to be submitted in Autumn 2021 for the site identified at Nevill Hall Hospital. The site is well located with an excellent environment for patients surrounded by views. To date staff and patients have been fully engaged in the design process. External advisors for the nVCC have also reviewed the building for potential decarbonisation measures and a number of these have now been included and Welsh Government funding approved for their inclusion. The site will have a dedicated car park with drop off area immediately outside the entrance. The ground floor will include patient areas for treatment, waiting, and consultation, with the first floor providing dedicated staff areas and plant rooms for machinery. Direct access from the main hospital is included so that patients receiving treatment on site do not have to travel externally. Further detailed work on the design will be completed during stage four. The design is now being aligned with the nVCC design principles of Delight, Firmness, and Commodity. The assessment concludes that the design currently meets all principles at a minimum requirement of satisfactory and plans are in place to work collaboratively to increase these ratings during the stage four process.</p>
<p>INFORM</p>	<p>Minecraft Presentation</p> <p>The work takes forward the principles under the Wellbeing of Future Generations Act and the focus on how the site can be designed as a community asset. Engagement commenced on the 10th May with over 1,000 schools contacted to take part. Commitment has also been received from Project partners to engage young people in ongoing works. Minecraft has been used to design a site that directly reflects the land and required over 700 hours to build. The site is produced to scale with different areas for the</p>



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	<p>children to review. There are paths that must be followed within the competition area that outline the requirements for biodiversity and enhancement of the environment. The Project is open to entrants until the 11th June. Similar works with land behind the Cardiff Museum produced a wide range of design ideas from young people across the area. 400 young people have registered to take part within 10 days of release and local media engagement will take place next week.</p>
APPENDICES	Not Applicable

TRUST BOARD

HIGHLIGHT REPORT FROM THE CHAIR OF THE AUDIT COMMITTEE

DATE OF MEETING	8 th June 2021
PUBLIC OR PRIVATE REPORT	Public
IF PRIVATE PLEASE INDICATE REASON	Not Applicable - Public Report
PREPARED BY	Claire Bowden, Head of Financial Operations
PRESENTED BY	Martin Veale, Independent Member
EXECUTIVE SPONSOR APPROVED	Mark Osland, Executive Director of Finance
REPORT PURPOSE	FOR NOTING

ACRONYMS

CE	Chief Executive Internal Audit
IA	Integrated Medium Term Plan
IMTP	NHS Wales Informatics Service Personal Protective Equipment
NWIS PPE	

1. PURPOSE

- 1.1 This paper has been prepared to provide the Trust Board with details of the key issues considered by the Audit Committee at its meeting on the 22nd March 2021.
- 1.2 Key highlights from the meeting are reported in section 2.

1.3 The Board is requested to **NOTE** the contents of the report and actions being taken.

2. HIGHLIGHT REPORT

ALERT / ESCALATE	n/a
ADVISE	<p>NWIS</p> <p>NWIS's transition to the Strategic Health Authority has become a standing agenda item at Audit Committee meetings. The Committee received updates from the Director of Finance at NWIS, representatives from Welsh Government, and from the Executive Director of Finance / Deputy Project Director for the Velindre Transfer of Accountabilities Project.</p> <p>The Committee heard from both NWIS, WG and Trust Officers how work was progressing, and that there were currently no significant risks to the transition of the organisation to SHA on 1st April 2021.</p> <p>The Committee noted that for 2021/2022 WG would be providing funding to the Trust via Commissioners to cover the hosting levy that would no longer be payable by NWIS. It was agreed that conversations would need to continue to ensure availability of required funding from 2022/2023 onwards.</p> <p>It was reported that TUPE letters had been sent to staff and responses were being monitored and chased accordingly.</p> <p>A legacy statement from the Trust Audit Committee will be produced for use by the DHCW Audit Committee to ensure awareness and progression of appropriate matters, including outstanding actions from previous audits. (The handover statement has since been prepared – attached – and the Chair of Audit has subsequently met with the Chair of DHCW and its Chair of Audit.)</p> <p>The regular suite of NWIS governance & financial documents were also presented to the Committee, in addition to the following Internal Audit Reports:</p> <ul style="list-style-type: none"> • NWIS GDPR Follow Up – no rating as it was a follow up of a previous limited assurance report • NWIS Organisational Resilience – Reasonable Assurance • NWIS Governance Arrangements during the COVID-19 Pandemic Advisory Review – no rating

ASSURE	<p>Internal Audit Programme</p> <p>The Committee received the IA Progress Report and were informed that the following reports have been finalised during the period:</p> <ul style="list-style-type: none"> • Velindre Cancer Centre Divisional Review – Reasonable Assurance • Welsh Blood Service Divisional Review Finance – Reasonable Assurance • Workforce Planning Follow Up – no rating as it was a follow up of a previous limited assurance report • IM&T Control & Risk Assessment – no rating as the report is not an assurance report • New Contracting Model – Substantial Assurance <p>The Proposed Internal Audit Plan for 2021-2022 was also received and approved by the Committee, noting that matters may change and evolve.</p> <p>Audit Action Tracker</p> <p>The Committee received the report which showed actions completed since the last meeting, and those which had now become overdue. Completion of actions were agreed and extensions to deadlines were considered and agreed where the Committee felt appropriate. A colleague from the Estates team joined the meeting to discuss a number of issues that had been outstanding for some time, and a progress report was requested by the Committee on these matters for consideration at the next meeting.</p> <p>Aged Debts</p> <p>Following a request at the last meeting the Committee was presented with a report outlining:</p> <ol style="list-style-type: none"> 1. General information regarding collection of the Trust's debts managed by the Trust's Corporate Finance team; and 2. Information and an action plan regarding collection of Private Patient debts by the Velindre Cancer Centre Private Patient team. <p>The Committee discussed matters within each paper, and asked for an updated report regarding collection of the Private Patient debts to be provided at the next meeting.</p>
INFORM	<p>Counter Fraud</p> <p>The Committee received a progress report at 31st March 2021 from the Local Counter Fraud Specialist.</p>



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	<p>Other Business</p> <p>The Committee also received written or verbal reports under the following agenda items:</p> <ul style="list-style-type: none">• Committee Cycle of Business 2021-2022• Commitment of Expenditure over Chief Executive's Limit• Declaration of Interests, Gifts, Sponsorship, Hospitality & Honoraria Register• Procurement Compliance Report• Letter from the Auditor General to Public Sector Bodies on auditing during the pandemic.• Audit Wales Audit Position Statement• Audit Wales Annual Audit Plan 2021• Audit Wales Report "Doing it Differently, Doing it Right?"• Presentation on the Response by Shared Services to the Future Generation Commissioners Report on "Procuring Well-Being in Wales"
APPENDICES	NOT APPLICABLE

DIGITAL HEALTH AND CARE WALES (DHCW)

VELINDRE UNIVERSITY NHS TRUST

COMMITTEE ACTIONS HANDOVER REPORT

Purpose of the Report	For Assurance
Recommendation	
The DHCW Chair and Chairs of Velindre University NHS Trust Audit Committee and Quality & Safety Performance Committee are requested to agree handover actions set out in this paper.	

1 SITUATION/BACKGROUND

- 1.1 The NHS Wales Informatics Service (NWIS) was formed on 1 April 2010 when it was established as an organisation sitting within Velindre University NHS Trust under a hosting agreement. The agreement included a requirement for NWIS to provide assurance of its governance processes by the submission of a number of standing items to Velindre University NHS Trust Audit Committee. This was in addition to any requirement for escalation of other matters to Trust Board. NWIS also attended Velindre NHS Trust Quality & Safety Performance Committee to report on Serious Incidents and other issues of note.
- 1.2 On the 30th September 2019 the Minister for Health and Social Services, Vaughan Gething, announced that the NHS Wales Informatics Service (NWIS) will transition from its current structure, as part of Velindre University NHS Trust, to a new Special Health Authority (SHA) – Digital Health and Care Wales (DHCW). This transition was effective from 1 April 2021.

2 CONTEXT

- 2.1 The DHCW SHA Board held their inaugural meeting on 1 April 2021 where Standing Orders and Standing Financial Instructions and a paper setting out the Board and Committee structure were approved. DHCW has designed a Committee structure to cover the aspects required by the DHCW Standing Orders, which covers DHCW Board business as follows:
 - Audit & Assurance
 - Remuneration and Terms of Service; and
 - Oversight and scrutiny of quality, safety, information governance, data quality, security and risk.

- 2.2 This paper sets out the business previously dealt with by the following Committees and their transfer to the equivalent Committee under the new SHA structure:

Velindre University NHS Trust Board/Committee	Digital Health & Care Wales Board/Committee
Velindre University NHS Trust Board	Digital Health & Care Wales Board
Audit Committee	Audit and Assurance Committee
Quality & Safety Performance Committee	Digital Governance & Safety Committee
Remuneration Committee	Remuneration & Terms of Service Committee

- 2.3 An exercise has been undertaken to map responsibilities identified in the Hosting Agreement to one of the three transition projects (Transfer of Accountabilities Project / Transition Project / Establishment Project), this is attached as Appendix A for assurance purposes.

3 STANDARD AGENDA ITEMS

- 3.1 The following table, which is not exhaustive, lists items dealt with as part of the business of the Board and Committees:

Velindre University NHS Trust Board/Committee	Item
Velindre University NHS Trust Board	Lease Approvals High value contract awards (over £750k)
Audit Committee	Internal and External Audit Reports Corporate Risk Register Declarations of Gifts and Hospitality Single Tender Actions and Change Control Notices Financial Update Position Audit Action Log Transition to Special Health Authority – <i>notethis activity now complete</i>
Quality, Safety & Performance Committee	Serious Incidents No Surprises Notifications
Remuneration Committee	Voluntary Early Release Scheme Applications Very Senior Roles Pay Awards

4 OUTSTANDING ACTIONS (INCLUDING AUDIT ACTIONS) FOR HANDOVER

- 4.1 There are no outstanding Audit Committee actions although a number of audit actions (summarised below) remain open on the Audit Tracker and will be monitored in future by the DHCW Audit & Assurance Committee:

	Recommendation	Priority	Management Action	Current/ Revised Implementation Date	Comments Audit Committee
External Audit - WAO - Nationally Hosted NHS IT Systems Annual Audits					
2016.1	NHS Digital (formerly known as HSCIC) are decommissioning the NHAIS system and replacing the functionality with a third-party supplier system from Capita for the payments engine for calculating general medical services payments. NHS Digital are also developing the demographic registration and reporting systems required to replace NHAIS functionality. For NHS Wales, NWIS and NWSSP are considering the system replacement options for Welsh requirements as NWIS also support and develop the Welsh Demographic System (WDS).	Medium	NWIS should, as they manage, support and develop the Welsh Demographic System (WDS) plan to provide the required functionality for NHS Wales in developing the WDS for patient demographic purposes.	Jul-22	NWIS met with NHS Digital in November 2020 where they confirmed they are still not in a position to give us revised dates for the start of decommissioning. NHS Digital are currently not in a position to provide dates for key Capita deliverables. The WDS Phase 3 development will be aligned with these timescales, but more clarity is needed from England before substantive work can take place. We are advised that the implementation date is unlikely to be before January 2022 and may take up to 6 months to complete.
2018.1	Review the age of the NHAIS servers used, some of which are approaching nine years old. NWIS should then liaise with NWSSP to agree a server replacement schedule or consider what mitigating controls can be put in place for service availability and resilience.	Medium	Although the NHAIS infrastructure is approaching 10 years of age, the team have contacted HP to enquire as to the EOSL (End of Support Life). Hewlett-Packard (HP) have confirmed that for key pieces of hardware, the c7000 Blade Enclosures and the BL860c blades, no EOSL is in place currently. Based on this response, there is no pressing need to consider replacements. NWIS will contact HP every six months to confirm the position.	Mar-22	HP have advised NWIS that a key part of the NHAIS infrastructure will reach EOSL on 31/12/2021. Analysis is underway to identify potential replacement hardware and associated costs. Adoption of the replacement PCRM (Primary Care Registration Management) product is scheduled for December 2021 with the decommissioning of NHAIS due to start in January 2022. However, NWSSP plan to retain the NHAIS infrastructure for up to

					seven years post-decommissioning so that access to the legacy data remains. Therefore, all aspects of the infrastructure will need to remain supported beyond decommissioning.
2018.6	NWIS should aim to complete accreditation to the Information Technology Standard for a Business Continuity Management System (ISO 22301).	Medium	This will be included as an objective within the 2019/2022 Integrated Medium Term Plan (IMTP). A gap analysis will be completed before the end of March to establish requirements in lights of the move to a new SHA and implications of the Civil Contingencies Act 2004.	Mar-21	First phase of BIA has been undertaken with a further 5 phases to be completed to cover the whole organisation.
2020.1	LASPAR is written in an old programming language in which NWIS have limited skills and application development capacity. We understand that the application technology platform is de-supported in 2020 and NWIS should plan to migrate to a controlled environment to enable support for LASPAR to continue or consider a new technology platform.	Medium	Migrate to a controlled environment to enable support for LASPAR to continue or consider a new technology platform.	Aug-21	An options paper is being prepared for consideration and then implementation.
2020.2	We were made aware in our 2019-20 fieldwork that the management of one of the two National Data Centres notified NWIS of their intention to exit from Data Centre Services during 2021/22.	High	NWIS should identify alternatives for additional data centre services, plan and manage the transition to the new data centre site by October 2021	Oct-21	The contract for the existing Data Centre will end in late 2021 and NWIS have a timetabled plan to leave by Summer 2021. A new datacentre location has been procured, and the contract awarded.
2020.3	The Network Information Systems (NIS) Directive requires Operators of Essential Services (OES), including critical healthcare services, to report network and/or	Medium	NWIS should seek written confirmation from Welsh Government on their future intended requirements for the applicability of the Network Information Systems (NIS) Directive for Digital Health and Care	Mar-21	DHCW has been designated as an Operator of Essential Services (OES).

	information systems/incidents which have a significant impact to the continuity of essential services. Under the NIS, reporting of incidents should take place to a National Competent Authority (NCA).		Wales from 1 April 2021.		
NWSSP Findings					
INF1b	Firmware, BIOS and OS on infrastructure components should be kept up to date, in particular when critical vulnerabilities have been identified. Old infrastructure components should be identified and prioritised for replacement to enable the most effective use of the WG monies.	High	Server 2008 Removal	Apr-21	This programme of work is ongoing, link to 2018.3. Extended Security Updates have been purchased to reduce the risk.
RES1	The BCP should be amended to include the requirement to create a command structure and maintain decision logs.	Medium	The BCP will be updated to include reference to a command structure and the maintenance of decision/ action logs.	Jun-21	BCP to be updated to reflect audit recommendations and transition to Special Health Authority
RES2	The agreements made during the Covid response should be further developed into formal partnerships with other organisations to provide mutual support for future disruptions.	Medium	Reference to support and partnership arrangements will be included in the Business Continuity Plan.	Jun-21	BCP to be updated to reflect audit recommendations and transition to Special Health Authority
RES3	The ability to relax standard operating procedures should be clearly stated within continuity and emergency plan documentation. This should include guidance for when it is acceptable and the requirements to record when it occurs, document risk and	Medium	Guidance will be provided as part of the Business Continuity Plan documentation and will include the requirement for robust recording of any such relaxations.	Jun-21	BCP to be updated to reflect audit recommendations and transition to Special Health Authority

	ensure appropriate governance is maintained.				
RES4	The NWIS vision should be prominent on staff communication channels such as the website and newsletters in order to further develop the shared culture and mission.	Low	As part of the transition to the new Special Health Authority, Digital Health & Care Wales, we will be confirming the Strategic Objectives and Vision for the new organisation with our new Board and ensure that this is widely communicated.	Jun-21	Communications Team to confirm Strategic Objectives and Vision for new organisation following consultation with Board.

4.2 There are two Internal Audit Reports that were not available for the last meeting of Velindre University NHS Trust Audit Committee which will need to be reported to the Digital Health & Care Wales Audit and Assurance Committee, following which actions will be added to the Audit Tracker. The reports related to Cyber Security (now available) and a follow-up Supplier Management Audit (report awaited).

4.3 There were 5 Single Tender Actions and 2 Change Control Notices effected during March 2021 by the NHS Wales Informatics Service which due to timing were not reported to Velindre University NHS Trust Audit Committee and as they were actioned whilst under the governance of Velindre University NHS Trust are not appropriate to be reported to the new Digital Health and Care Wales Audit and Assurance Committee. These had a total value of £2,839,323.30.

The summary is as follows:

SFI Reference	Description	Items
12.9.4	Free of Charge Services	0
12.13	Single Quotation Actions	1
12.13	Single Tender Actions	3
12.13	Single Tenders for consideration following a call for Competition under PCR2015.	1
12.17	Contract Extensions: Award of additional funding outside the terms of the contract (executed via Contract Change Note (CCN) or Variation of Terms)	2

Detail of the submissions:

DIRECTORATE	Procurement Reference	Agreement Period	SFI Reference	Agreement Title/Description	Supplier	Anticipated Value	Reason
Data Centre Services	P302	01/07/2021-30/06/2023	CCN	Data Centre 2 (Newport)	BT	£1,964,088.00	CCN requirement - the contract did not

							include a further option to extend, however, an extension was required and approved via an options paper and Trust Board approval.
Information Services	P307	01/07/2021-30/06/2022	CCN	All Wales Data Quality System	Informatica Ltd	£455,594.00	CCN requirement - the contract did not include a further option to extend, however, an extension was required and approved via an options paper and Trust Board approval.
Workforce and OD	P661	01/03/2021-30/06/2021	STA	Executive Search and Recruitment Services	Harvey Nash PLC	£25,000.00	Direct award call off under the Crown Commercial Services Framework – RM6002 Permanent Recruitment Solutions – Lot 7 - Executive Search Senior Roles. The STA supports the Framework Direct award approach under SO/SFI's.
Directors/Infrastructure	P492.01	01/04/2021-31/03/2023	STA	Gartner for Executives and Technical Professionals	Gartner	£187,400.00	Direct award under the G Cloud Framework, previously this has been competitively tendered, but no other bids were received. The STA supports the Framework Direct award approach under SO/SFI's.
Finance	P705.01	01/04/2021-31/03/2023	STA	Gartner for Finance	Gartner	£79,200.00	Direct award under the G Cloud Framework, previously this has been competitively tendered, but no other bids were received. The STA supports the Framework Direct award approach under SO/SFI's.
Information Service	P672	01/03/2021-31/03/2024	STA	Wales Terminology Service	CSIRO	£118,060.00	Continuity of service for proof of concept licence purchased in conjunction with NHS Digital. Using an alternative product would require a redesign of the infrastructure model.
Organisational Performance	P709	15/03/2021-30/03/2021	SQA	Specialist Consultancy –	RedCortex Ltd	£9,981.30	Specialist, locally available resources

				Power BI and Organisational Performance			and knowledge of existing NWIS/ DHCW tools (Oracle, ESR etc.) was required to deliver the appropriate Power Bi training to accelerate the implantation plan for Power Bi use in DHCW.
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- 4.4 There have been no offers of gifts or hospitality reported since the last report to Velindre University NHS Trust Audit Committee.
- 4.5 There is one outstanding action carried across from the Velindre University NHS Trust Quality, Safety & Performance Committee relating to a recent Microsoft Team Tenancy Issue. The action is for the DHCW Medical Director to provide the Committee with an update report. This action will form part of the workplan for the new DHCW Digital Governance & Safety Committee.
- 4.6 The remaining handover item is management of actions identified as a result of the 2020/2021 assessment against the Health & Care Standards, previously dealt with by the Velindre University NHS Trust Quality, Safety & Performance Committee. The Head of Corporate Services will ensure that a full analysis of open actions is undertaken following progress monitoring throughout the year and reported to the DHCW Audit & Assurance Committee with the 2021/2022 Health & Care Standards Assessment. It has been agreed that assessments and actions relating to workstreams falling under the DHCW Digital Governance & Safety Committee will be referred across.

5 RISKS

- 5.1 There are no specific risks associated with the Committee Handover Process identified.
- 5.2 Corporate Risks are managed by the DHCW Management Board and Risk Management Group, reviewed in depth by both Groups on a monthly basis. These, previously overseen by the Velindre University NHS Trust Audit Committee will now be overseen by DHCW SHA Board and Audit and Assurance Committee. There have been no significant changes to the risk profile.

6 RECOMMENDATION

- 6.1 The DHCW Chair and Chairs of Velindre University NHS Trust Audit Committee and Quality, Safety & Performance Committee are requested to agree handover actions set out in this paper.

APPENDIX 1 – HOSTING AGREEMENT

MAPPING OF ACCOUNTABILITIES

ITEM	DESCRIPTION	No Mapping Required	No Longer Needed	Transfer of Accountabilities Project	Transition Project	Establishment Project
1.0 The Director for NWIS is directly accountable to the Director General / Chief Executive for NHS Wales (or their designated deputy) for performance & delivery including:						
1.1	Proper stewardship of public money.	II				
1.2	Financial performance including appropriate discharge of for the management of NWIS and staffing of NWIS in delivering ICT services in accordance with the NWIS IMTP.	II				
1.3	Performance in relation to service delivery and quality against the plans and directions set/agreed by Welsh Government.	II				
1.4	Reporting and informing WG of any risks or incidents as appropriate in accordance with policy and regulation.	II				
1.5	Establishing, in partnership with the Chief Executive of Velindre University NHS Trust, effective arrangements for Internal Audit and Counter Fraud.				II	
1.6	Ensuring appropriate advice is tendered to Welsh Ministers, the Welsh Government and the NHS in Wales on all matters to support effective and efficient prudent and economic administration in relation to NHS informatics.	II				
2.0 The Director for NWIS is directly accountable to the Chief Executive of Velindre University NHS Trust for good governance including:						
2.1	Acting at all times within the corporate governance framework of Velindre University NHS Trust.		II			





ITEM	DESCRIPTION	No Mapping Required	No Longer Needed	Transfer of Accountabilities Project	Transition Project	Establishment Project
2.2	Ensuring expenditure is accounted for in accordance with the Financial Reporting and Accounting Manual and in line with Velindre Trust SOs and SFIs.					II
2.3	Properly safeguarding NWIS resources including information.				II	
2.4	Ensuring that proper financial procedures have been followed and that accounting records were maintained in a form suited to the requirements of management as well as in the form prescribed for published accounts.				II	
2.5	Ensuring that assets such as land, buildings or other property, including stores and equipment, are controlled and safeguarded. (MO: specific description no longer relevant but assets will be transferred in accordance with the plan)			II	II	
2.6	Ensuring that all items of expenditure, including payments to staff, fall within the legal powers of the Trust.			II	II	
2.7	Acting within the scheme of delegation assigned by the Trust Board (and as directed by Welsh Government). – (Revised model SO to be issued by WG end of March 2021 which will be implemented and approved by the Trust Board in June 2021)			II		II
2.8	Ensuring that, in the consideration of policy proposals relating to the expenditure or income for NWIS, all relevant financial considerations, including any issues of propriety, regularity or value for money, are taken into account, and where necessary will be brought to the attention of the Chief Executive of Velindre University NHS Trust, as Accountable Officer for the Velindre University NHS Trust.	II				

ITEM	DESCRIPTION	No Mapping Required	No Longer Needed	Transfer of Accountabilities Project	Transition Project	Establishment Project
2.9	Attending any Board or sub-committee meeting of the Trust in relation to NWIS performance or governance issues that may affect the operational, financial or reputational performance of the Trust. (subject to confirmation of status of any open actions across the Committee structure at 31.03.2021)			II		
2.10	Compliance with such reporting structure as is reasonably required by the Velindre University NHS Trust Board in relation to the delivery of obligations. (subject to confirmation of status of any open actions across the Committee structure at 31.03.2021)			II		
2.11	Compliance with regulation and legislation.	II				
2.12	Ensuring accountabilities are appropriately discharged in accordance with a sound system of internal control and a scheme of delegation that is detailed in the Velindre University NHS Trust SOs. (Revised model SO to be issued by WG end of March 2021 which will be implemented and approved by the Trust Board in June 2021)			II		II
2.13	Ensuring that there are appropriate procedures established for Information Governance to ensure that all data / information is managed in accordance with all relevant legislation (i.e. Data Protection Act 1998, Freedom of Information Act 2000, and Access to Health Records 1990), NHS standards and guidance's issued by the Welsh Government, the Information Commissioner's Office and other professional bodies.				II	
2.14	Escalating any risks or incidents to the Trust, Welsh Government and the NHS in Wales as appropriate in accordance with Trust policy.				II	

ITEM	DESCRIPTION	No Mapping Required	No Longer Needed	Transfer of Accountabilities Project	Transition Project	Establishment Project
2.15	Ensuring a Senior Officer of NWIS can act on behalf of the Director of NWIS in their absence.					Π
2.16	Completing an annual declaration to confirm compliance with Velindre University NHS Trust Governance Arrangements to assist the Velindre Chief Executive in signing the Annual Governance Statement. (statement issued pending receipt)			Π		
3.0 In relation to the Hosting Agreement for NWIS, the Chief Executive of Velindre University NHS Trust is directly accountable to the Director General / Chief Executive of NHS Wales for:						
3.1	Transferring funds received from Welsh Government directly to NWIS to allow NWIS to undertake its functions.			Π	Π	
3.2	Providing advice to NWIS on statutory and regulatory compliance.	Π				
3.3	Holding employment contracts for NWIS staff.			Π		
3.4	Appointing the Director of NWIS at the direction of the Chief Executive for NHS Wales.					Π
3.5	Providing the Governance Framework within which NWIS will operate including the Trust's Policy Framework and associated advice.				Π	
3.6	Provide office space, payroll and other corporate services as detailed in a Service Level Agreement. (MO: no longer relevant)			Π	Π	
3.7	Providing the framework for authorising expenditure in excess of the NWIS Director's delegated limit but within			Π		Π

ITEM	DESCRIPTION	No Mapping Required	No Longer Needed	Transfer of Accountabilities Project	Transition Project	Establishment Project
	this, delegations awarded to the Velindre Trust Board or as directed by the lead official in Welsh Government.					
3.7	Providing the statutory framework by being the named body to hold contracts and other legal instruments on behalf of NWIS as requested by Welsh Government.		II			
3.8	Granting access to the lead official in Welsh Government or authorised officers or agents such access to Trust information they may reasonably require to monitor the performance of NWIS functions.		II			
3.9	Manage any claims brought against the Trust relating to NWIS in accordance with NHS Wales policy at the direction of the lead official in Welsh Government.			II		
3.10	Returning any under spend of NWIS funds within 30 days of the end of the financial year in which the underspend occurs.			II		

Status Key:

-  = Complete / No further action required
-  = On target to complete within required timeframes
-  = At risk of not completing within required timeframes
-  = Not completed within required timeframes

TRUST BOARD

CHARITABLE FUNDS COMMITTEE HIGHLIGHT REPORT

DATE OF MEETING	08/06/2021
PUBLIC OR PRIVATE REPORT	Public
IF PRIVATE PLEASE INDICATE REASON	Not Applicable - Public Report
PREPARED BY	Alison Davies, Business Support Officer
PRESENTED BY	Prof. Donna Mead, Chair
EXECUTIVE SPONSOR APPROVED	Mark Osland, Executive Director of Finance
REPORT PURPOSE	FOR NOTING
ACRONYMS	
~	~

1. PURPOSE

This paper has been prepared to provide the Trust Board with details of the key issues and items considered by the Charitable Funds Committee at its meeting held on the 6 May 2021.

Key highlights from the meeting are reported in Section 2.

The Board is requested to **NOTE** the contents of the report and actions being taken.

2. HIGHLIGHT REPORT

The following areas were highlighted for reporting to the Trust Board from the meeting of the Charitable Funds Committee held on the 6 May 2021:

ALERT / ESCALATE	There were no items for alerting or escalating to the Trust Board.
ADVISE	<p>VIEW FROM A FUNDRAISER</p> <p>The Committee received a presentation from Bev Parry, Charity Ambassador, who has been fundraising for Velindre for 24 years, next year being her 25th where she hopes to have reached £100,000.</p> <p>The Committee welcomed the opportunity to learn about the experiences of the Charity ambassadors and how important it is to hear the voice of the fundraiser at the Committee.</p> <p>The Committee thanked Bev Parry for her commitment and dedication to Velindre over the past quarter of a century, and commended her passion which was inspirational.</p> <p>FINANCIAL POSITION</p> <ul style="list-style-type: none"> • Income Despite the ongoing impact of COVID-19 on fundraising activity, the Charity had raised £2,683k as at the end of March 2021. This represents an overachievement of £839k against the revised target (i.e. £1,650k reduced down from £2,600k) set during the first quarter of 2020-2021. Included within the total income received is a one off donation from the Moondance Foundation, which has notably supported the overall performance for the 2020- 2021 reporting period. <p>During 2019-20 the Trust received £815k of income from the sale of Intellectual Property following a successful trial and the Committee has agreed that going forward the balance of funds should be ring-fenced for future Research and Development related expenditure to support investment in the Trust's Research and Development capabilities. A more detailed framework within which the remaining and future funds are intended to be used will be presented to the Charitable Funds Committee at its next meeting in August. The ring-fenced monies will remain subject to the normal governance arrangements as are all charitable funds.</p> <ul style="list-style-type: none"> • Forecast Income The Charity is forecasting a total income of just over £1.4m for the 2021/2022 reporting period.

- **Expenditure**

Fundraising expenditure was significantly lower than planned, by just over £1.1 million during 2020-2021. This was due to vacancies against a number of projects and the cancellation/postponement of planned events as a result of COVID-19; the planned spend will be deferred over future years.

- **Reserve Policy Target**

The Committee were advised that the balance within the Charitable Funds accounts at 31 March 2021 of £1,731k was comfortably within the reserve policy target.

BUSINESS CASES

The Committee received two business case requests:

1. Velindre Futures Research & Development Ambitions: Driving the implementation
2. Early Phase Trials - Medical Sessions for the Future

The Committee were advised that the two business cases had been presented and endorsed by the Research, Development & Innovation Sub-Committee ahead of their application to the Charitable Funds Committee.

The Committee noted that in order to realise the ambitions set out in the Cancer Research Strategy, approved by the Trust Board in March 2021, a twin approach was necessary. In the short term, immediate investment is required for key roles to help kick start and drive forward the delivery of the Cancer Research Ambitions. This includes the setting up of a new Research Hub at University Hospital of Wales and, as a priority area of clinical research, the setting up of complex early phase trials to provide opportunities for patients in Wales.

The Charitable Funds Committee **APPROVED** the two accompanying bids for funding for:

1. £147,414 over two years for Velindre Futures RD&I Ambitions: Driving Implementation
2. £133,940 over three years for Early Phase Trials: Medical Sessions for the Future

FUNDRAISING

The Committee were advised of the level of income received to date, noted above, together with the fundraising activities undertaken over the reporting period, and received the latest Fundraising Newsletter (Appendix 1) featuring:

- New supporters activities
- New Velindre Fundraising Website
- Young Ambassadors – over £30k has been raised
- Thanks a Million Appeal,

	<ul style="list-style-type: none"> - Overseas Challenges - A Mile A Day in May <p>The Committee were advised that the 12th annual Jonathan Davies Celebrity Golf Day has been postponed until September 2021, and the Great Wall of China Trek has also been postponed for the second time to May 2022 due to the continued impact of COVID-19 on fundraising activity.</p>
ASSURE	<p>BUSINESS CASE & FUNDRAISING EVALUATION REPORTS</p> <p>The Committee considered three Business Case and Fundraising Evaluation Reports, which provide assurance that projects funded by the Charity have delivered or are delivering their expected outputs. This included:</p> <p>1. Patient Portal (Patient Held Records)</p> <p>The Committee noted that a decision was made at the Executive Management Board meeting on 6 April 2021 not to extend our current contractual relationship with Patient Knows Best.</p> <p>As a result, the Trust has been unable to realise the full benefits of a 'live' system, as were originally described in the Business Case.</p> <p>However, the Committee were assured that despite not being able to realise the benefits in full, the Trust recognises the work undertaken over the term of the project (by the Project, Information Governance and Clinical Teams), in particular the extensive work relating to the data processing of patient information and the importance of engagement with the Information Commissioners Office(ICO).</p> <p>Key learnings have been captured, which include the review and improvement of patient processes, the co-production of patient/clinician 'Care Plans' and insight into the most important features that patients expect to be able to access in a Patient Held Record.</p> <p>The Committee were assured that these learnings will enable us to move forward, as we consider other patient facing products available commercially and as we continue to participate in the national patient portal work nested within the 'Digital Services for Patient & Public' programme and wider collaborative opportunities within SE Wales.</p> <p>The Committee has requested more details are made available on the benefits that we have derived as these would be wider reaching.</p> <p>Complementary Therapies</p> <p>The Committee noted that the complementary service is due for renewal in 2022/2023. The Committee acknowledged the importance of these services in providing all aspects of staff wellbeing and support but would like to see more comprehensive information provided within the evaluation report to evidence</p>

	<p>the impact of this service provision. The Committee were assured that this would be developed further going forwards.</p> <p>Wigs The Committee noted that this service was also due for renewal in 2022/2023. As per the previous business case evaluation report, the Committee requested more robust comprehensive information be provided to support a more rigorous assessment of the impact of service provision. Support is to be given to the team to develop this aspect further going forwards. The Committee were assured that the new business case evaluation template and process would support this.</p> <p>NEW BUSIENSS CASE, EVALUATION TEMPLATE & PROCESS The Committee were assured that a comprehensive review has been undertaken of the business case application and evaluation templates together with a review of the overarching process, in partnership with key stakeholders. The purpose of which was to support a more detailed and rigorous development and assessment process to improve the quality of business case applications and evaluations received and scrutiny applied prior to submission to the Committee.</p> <p>The new templates and overarching process were APPROVED by the Committee. It was also agreed that a new application form for Research, Development & Innovation applications to the Charitable Funds Committee will be taken forward which links in with the new templates.</p>
INFORM	There were no items to inform the Trust Board of.
APPENDICES	Appendix1– Fundraising Newsletter

3. RECOMMENDATION

The Trust Board is asked to **NOTE** the contents of this report.



Newsletter



Hello wonderful supporters!

We hope you have been keeping well over the past few months.

Like the rest of the country, the Fundraising team are eagerly awaiting the ease of restrictions when we can start meeting our lovely fundraisers in person. We still continue to miss you all on a daily basis and can't wait to see you soon for a well needed catch up!

The past few months have continued to remain tough for charities due to numerous postponed events but we know we can always rely on our dedicated supporters to bring a smile to our faces with the most inspiring stories and fundraising ideas.

The time has come for our quarterly Newsletter where we like to share some of the highlights from the year so far, some of the incredible activities that have been taking place as well as the exciting events we can all look forward to over the next year.

As always, we would like to take the time to say the biggest thank you to everyone who continued to help fund vital services at Velindre.

These services really do make a huge difference to our patients and their families on their cancer journey, so a huge thank you to every single person goes above and beyond.

You really are #OneInAMillion.

From The Velindre Fundraising Team

Fantastic Fundraisers

We'd like to say a huge well done and thank you to our amazing fundraiser Dave Tonge for his continued support over the past years. From running marathons to taking on Iron Mans, Dave really has put his body on the line for Velindre and this year is no different as he takes on his most physical challenge yet.

During the start of Lockdown, Dave raised a phenomenal £5,300 for the NHS by swimming 21 miles in 10 hours and 15 minutes, with 5-minute breaks in-between each mile, totalling 12 hours and 15 minutes, which is the average length of a shift for a doctor or nurse. But Dave isn't stopping there, on 11th June 2021, he will be attempting to break a world record by aiming to swim for over 24 hours continuously!

Dave has been training extremely hard for this challenge and has raised over an incredible £2,500 for Velindre Cancer Centre so far !

If you would like to support Dave's challenge and dedication to Velindre please visit:

[HTTPS://WWW.JUSTGIVING.COM/
FUNDRAISING
WORLDRECORDENDLESSPOOLSWIM](https://www.justgiving.com/fundraising/worldrecordendlesspoolswim)



ABBIE'S ATHLETES



Abbie Marks was just 28 years old when diagnosed with a rare form of ovarian cancer. Her story started 4 years ago when having a very large ovarian cyst removed, which had likely been growing for a number of years. 4 years had passed since the removal when Abbie began to have pelvic pains and swelling once again. Getting an appointment during the global pandemic proved difficult for Abbie but when she was seen, she was told another large cyst had grown. This time more complex.

The day after discussing the need for another operation to remove the other ovary with the health care team, the cyst burst. An emergency operation was needed to remove it, urgently. It was when the biopsy results came back that Abbie was told it was Ovarian Cancer. The cancer hadn't spread to any other tissues and was successfully removed during the operation. However, because the cyst burst, cancerous cells may have escaped to other areas of Abbie's abdomen so she will be receiving chemotherapy treatment to target any remnants.

When hearing about her diagnosis, Abbie's friends and family wanted to rally around her to show their support and help raise awareness of Ovarian Cancer.

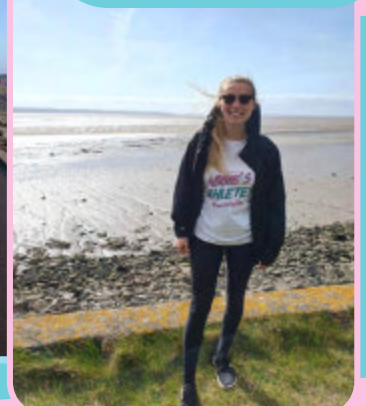
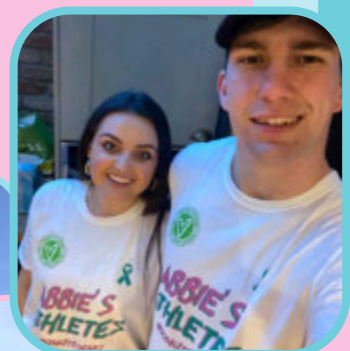
This is when Abbie's Athletes was born! The group is formed by some of Abbie's nearest and dearest who have pledged to participate in an exercise challenge throughout March with all funds raised donated to Velindre.

With the challenge nearing to an end, we are extremely PROUD and GRATEFUL to all who have taken part and helped raise a staggering

£25,000

If you'd like to donate please visit:

<https://www.justgiving.com/fundraising/curse-mat>



100k for hobbsy

Dai Hobbs is a pillar of the Rhiwbina Rugby Club and wider community who puts his energy and passion into everything he does. Dai has worked tirelessly for many years to ensure the people of Rhiwbina and wider community have the chance to participate in sport and reap the benefits of coming together in social gatherings. The importance of which is now fully understood because it is something that everyone is missing during the pandemic.

Since breaking the news of his diagnosis of pancreatic cancer, The community wanted to do something to say thank you to Dai and to show him their support.

January saw over 250 past and present rugby players each run 100km in support of Dai and in doing so, the 100KforHobbsy campaign helped raise a huge amount of money for charity.

During February and March, the 100KforHobbsy runners continued to pound the pavement and collectively ran around the world, covering a total of 40,075km. To help achieve this goal, the Mini and Juniors of Rhiwbina RFC got involved and took on the challenge of running 1k A Day!

It really was a monumental effort by so many and together, the group raised over £10,000 ! for Velindre Cancer Centre.



Full pint half pint challenge



Amanda Lynch became a supporter of Velindre Cancer Centre after being diagnosed with Cancer 2015. After enduring 22 surgeries, numerous treatments and the loss of both knees, Amanda decided she was ready to take on an incredible challenge alongside her personal trainer and friend Shamrock Strength by GF.

Amanda and Greg created the 'Half Pint, Full Pint Challenge' which involved them covering the entire distance of the UK in a John O Groats to Lands End virtual challenge. This would include covering 1083 miles in just 60 days!!

By Day 40, THEY HAD DONE IT! This dynamic duo completed their challenge and decided to go one step further to up the stakes....

With their remaining time and the addition of 15 extra days, they have decided to DOUBLE the challenge distance meaning they will cover ANOTHER 1083 miles making a total of 2166 miles for Velindre!

amanda says;

"The tears came first, followed by many losses: the long hair, both breasts and then the bones & both knees to name a few. The glass is still half full, but the recovery from my last surgery at the latter part of 2020 has been challenging. Losing both of my knees and getting two new ones has been difficult, the rebuilding of strength and muscles as well as the consequential pain has been exacting both physically and mentally, particularly as fitness is and always has been a constant in my life. I am just about back upright and back on two feet and ready to embark on this mammoth challenge."

to support amanda and greg

<https://www.justgiving.com/fundraising/amanda-lynn77>





THE GOOD, THE BAD AND THE ULTRA ULTRA

We'd like to say a huge thank you and well done to Zoe Morgan and Beth May for completing their 40 mile run in February whilst raising funds for Velindre!

The friends had originally signed up to run 40 miles from Brecon to Cardiff in an organised event. However, COVID meant that the official race was cancelled. At this point, the lovely ladies had already begun to raise money for Velindre and wanted to do something special to mark the occasion.

Zoe and Beth decided to cover the whole 40 miles within the Coronavirus regulations by setting off from their home in Treorchy, all the way to Velindre Cancer Centre by foot and then all the way back home which is a phenomenal challenge to complete all in one day.

The duo wanted to do something to say thank you to Velindre who had provided care for many friends and family. They initially intended to dedicate each of the 40 miles to an individual and run that mile for them. However, before long they had far more than 40 names of people affected by cancer, this just highlighted to Zoe and Beth the importance of the money they were raising.

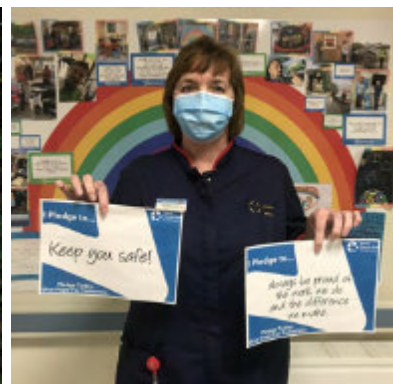
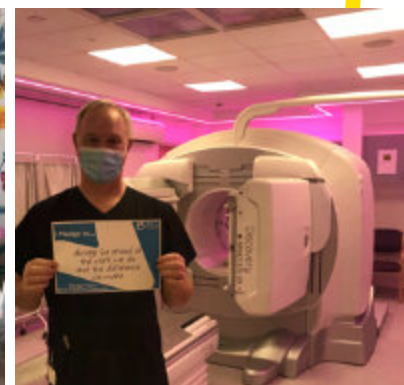
WELL DONE!!

World Cancer Day 2021



On Friday 4th February, we celebrated World Cancer Day alongside our staff, patients, ambassadors, fundraisers and supporters. World Cancer Day is an international event which helps raise awareness and funds for Cancer Charities and Hospitals all over the world. As part of our celebrations, we asked everyone to create a pledge to show their support for either the hospital or it's Charity arm (us!).

Here are just some of the pledges our Young Ambassadors and staff made on the day:



Pledge Today. Give hope for tomorrow.
Thank you everyone who got involved!



Well Done!

In the last few months we have seen a whole host of creative and inspiring fundraising ideas come to life and have been proud to support so many passionate young fundraisers.

We have seen fitness challenges, raffles, awareness interviews, World Cancer pledges and even some products being made and sold in aid of Velindre. We have been SO impressed with everyone's continued motivation and are proud to promote just some of your hard work below...

Keeley

Keeley completed a marathon in just 10 days to help raise much needed funds for Velindre Cancer Centre. Keeley chose this challenge to raise donations in loving memory of her Auntie Anne who had recently passed away. Keeley showed incredible commitment and determination in completing her marathon and raised **£836.25** for Velindre Cancer Centre.

truly inspiring!



joseff

Joseff decided to start fundraising for Velindre after his grandfather was treated at the Hospital. In support of his Tadcu, Joseff set himself a target of 100km to complete in March and truly hit the ground running with a fantastic start. Within just 24 hours, Joseff had raised £1,000 and his total currently stands just over **£4,500!**

amazing work joseff!

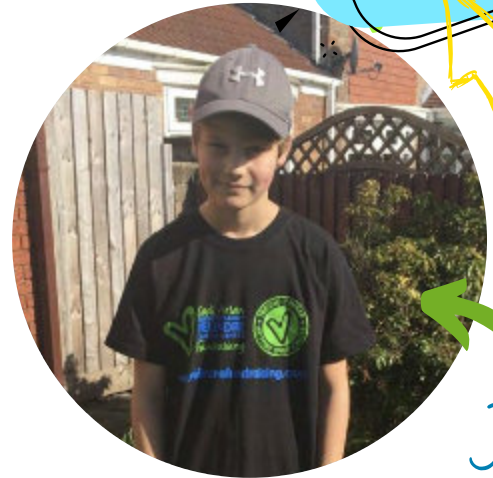


amazing!

jAC, eFAN AND rHYS

Three brothers have joined forces to complete their latest fundraising challenge of running 5K every day in March for Velindre. Jac, Efan and Rhys have been working very hard to promote their challenge and have exceeded their £1,000 target with a total so far of **£1,285!**

What a team!



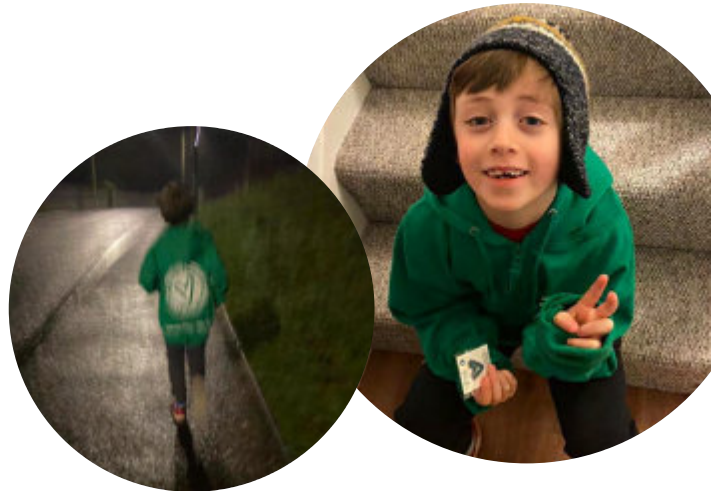
Jac

Hari

Hari is currently challenging himself to run his first ever 5K in memory of his Auntie Rhian in April. Hari will be doing his run on Rhian's birthday but until then is still working hard in training and raising support and donations too!

Since our last newsletter update in January, Hari has managed to run 5K so has increased his challenge as well as so far raising **£1510!**

RUN Hari RUN!



aVA AND FREYA

Well Done to Ava and Freya who have been raising funds for Velindre through buying and selling Velindre merchandise and using them to create Easter gift mugs filled with chocolate and Easter chicks. The girls have made a fantastic start to their fundraising and have so far sold over 50

mugs!

In addition to fundraising for Velindre, the girls have also entered an ITV competition to design their new logo and won! Pretty soon their designs will be shown during a primetime advert... how exciting!

Well Done both!

Brilliant work!



fantastic!



Leo

Leo set himself the challenge of covering the distance of 11 miles to help raise donations and awareness for Velindre. Having never done something like this before, Leo trained extremely hard and finished his final mile at the Cancer Centre. We are so proud of Leo's hard work and determination to complete the challenge as well as his efforts to raise **£11,333.00!!**



What a brilliant challenge!

Isobel

We would like to say the biggest GOOD LUCK to Issy who will be completing her 10 miles challenge on 3rd April for Velindre! Issy decided to take on this challenge to support her nan, Heather, as she receives treatment at the hospital. She will be running from her Nan's house to Velindre Cancer Centre to cover her miles and has already raised **£1,220** through sharing her training updates and promoting her challenge.

Huge Good Luckssy we'll see you at the finish line!



Jamie

Congratulations and Good Luck to Jamie who is starting his first fundraising challenge as an Official Young Ambassador!

Throughout the month of April, Jamie will be aiming to run over 100km for Velindre Cancer Centre to help raise donations and help 'find cures' for Cancer.

Jamie has already made a fantastic start in his fundraising and we can't wait to welcome you over that finish line at the end of the month!

GOODLUCK JAMIE!



incredible!

Ethan

The biggest CONGRATULATIONS to Ethan who recently completed a fundraising challenge in memory of his Great Grandfather.

Ethan used to talk to his Great Grandfather about the bike rides he would go on with his Dad so decided that the best way to remember him was to do a bike riding challenge to help raise donations for the hospital he was treated by, Velindre.

At the beginning of the challenge, Ethan had hoped to raise £210 for the 210 miles he would complete, instead Ethan managed to raise a total of **£11,200!**

You have made everyone proud ethan!

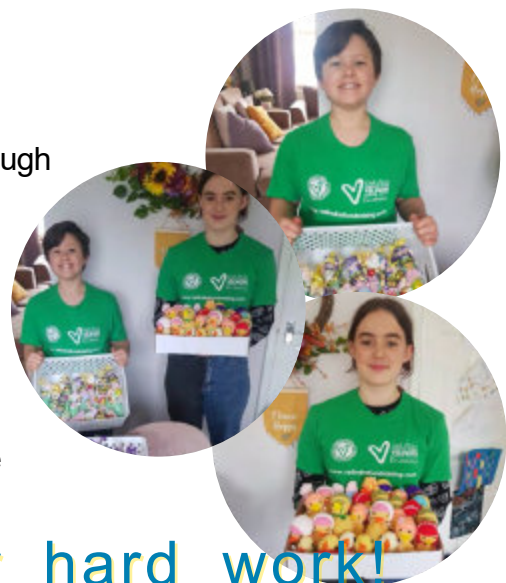


Ffion and loan

In our last newsletter, we congratulated Ffion and loan for raising £3,000 through making and selling Hot Chocolate cones over the Christmas period. In this newsletter, we are saying an even bigger CONGRATULATION to these fundraising superstars for raising a further **£3000** through selling Easter sweet cones and the famous Velindre Chicks. Ffion, loan and their parents have worked extremely hard over the past few months to raise funds for Velindre and we are so grateful!

This fundraising duo are still completing their challenge so we will update you with their final total in our next newsletter!

We are grateful for all of your hard work!



Osian

Osian and his 15 classmates have joined together to complete the distance of the Welsh Coastal Path. So far, they have collectively covered over 1500km and have less than 700km to go before crossing their finish line! Already, the class have helped Osian raise **£1,406** for Velindre Cancer Centre.

In addition to leading his class in this challenge, Osian also interviewed a fellow fundraiser called Dave Tonge who is currently training for his World Record Attempt. Dave has challenged himself to swim continuously for 24 hours in an endless pool. Osian did a fantastic job in his interview and helped Dave in his fundraising too.

Watch the full interview here:
www.youtube.com/watch?v=dBc3dcqQF2E



A MILE A DAY IN MAY



#AMileADayInMay is back for 2021!

In May 2020, Velindre ambassador Hugh Williams Jones launched a fantastic initiative to help raise vital funds for Velindre Cancer Centre and to get the nation moving!

The #AMileADayInMay Challenge invites you, your family and friends to walk, run, cycle or cover a mile a day in your way. This event is accessible to all and is easily adaptable to suit you and your needs.

Sign up as an individual or a family and get your miles in for Velindre! With restrictions easing, this is an opportunity to explore local scenery and stay active.

Keep us updated with your Mile A Day Walks by tagging us on Facebook, Twitter and Instagram! Remember to also use our official hashtag ➡ #AMileADayInMay

Upon registration, all participants will receive a confirmation email and will automatically be given a personal fundraising page that can be used as an individual or a family.

All participants will also be awarded with a complimentary medal when completing the challenge.

To sign up please visit

<https://velindrefundraising.enthuse.com/cf/a-mile-a-day-in-may-2021>

GOOD LUCK!

Shane's grand CYCLE CHALLENGE



There is still time to join Shane Williams on a bike riding challenge over the next 5 months while raising funds for Wales premier Cancer Centre, Velindre.

In September Shane will be joined by 90 other riders as they take on the 3 Canyons Bike Challenge through Arizona, Nevada and Utah. Riders will cycle through Zion and Bryce Canyons culminating in the Grand Canyon.

As part of the training to prepare for the Ride Shane is encouraging others to join him on a progressive 6 month challenge leading up to the 3 Canyons in September.

The challenge begins on the 1st March 2021 and there are 3 categories, with distance increasing as we near the 3 Canyons ride in September.

Each month you can choose to increase by 25 miles (Zion), 50 miles (Bryce) or 100 miles (Grand Canyon).

It's just £10 to enter which includes an Official Velindre sports T-shirt and Sports Bottle, with a minimum sponsorship target of £50

Depending on government guidelines, you will also be invited to a Presentation evening over the last weekend of the challenge with the Legend himself, Shane Williams.

To join the challenge please visit www.velindrefundraising.com



ZION 975m

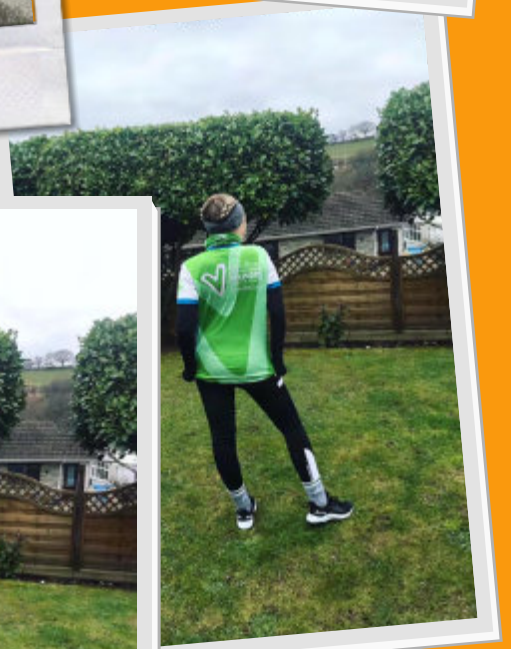
BRYCE 1350m

GRAND 2100m



well done team!

We have over 35 riders taking on the Grand Cycle Challenge which is fantastic!
Below are just a few showing off our new Official Supporters T-shirts whilst
clocking up some serious mileage for the challenge!



Walk The Wye 2021



Monmouth Rotary Club will be back to host Walk The Wye 2021 on Sunday 16th May.

The walk has continued to be a huge success despite facing Covid-19 measures and will again be raising funds for the Pink Appeal at Velindre.

Due to persisting social distancing guidelines, the walk is planned to replicate the same format as 2020 to ensure safety to all participants, organisers and the public.


Start times will be staggered into four stages to prevent crowding during the walk with all 4 walks being circular (starting and finishing at Monmouth Show Ground).

This event aims to be as inclusive as possible, to all walking abilities by giving participants a choice of distances between 3 miles and 13 miles on the day.

if you'd like to join what is always an incredible event whilst raising funds for breast cancer research, please get in touch with event organiser Pete Walters on 01600 773257



New Website Launch

We're excited to announce our brand new website with some amazing new features including a shop where you can get your hands on lots of official Velindre goodies! Start exploring here  www.velindrefundraising.com



GET INVOLVED APPEALS REGULAR GIVING SHOP [DONATE NOW](#)



The Hospital of

Hope

Make a donation today!

[DONATE ONLINE TODAY](#)



Welcome to Velindre Fundraising

We aim to provide the best care, when people need us most.

Velindre, the Hospital of Hope, has been providing specialist treatment and supportive care to cancer patients in Wales for over 60 years.

Money raised funds ground breaking research and clinical trials, cutting edge treatments, specialist nurses, support services, therapies, equipment and so much more which are above those provided by the NHS – so donations really do have a significant impact on patients and their families.

Thank you for your continued support



Velindre Shop



Showing all 25 results

DEFAULT SORTING



#ThanksAMillion

Help Velindre raise £1,000,000
for Cancer Services in Wales

Donate Today:
www.velindrefundraising.com



Help Velindre raise £1,000,000 for Cancer Services in Wales by saying #ThanksAMillion

The last year has been extremely challenging for everyone, and for Velindre Cancer Centre NHS staff especially. As well as dealing with a pandemic, Velindre staff strive every single day to continue to offer world-class support and care to cancer patients and their families.

Charities have been hit extremely hard by the Covid 19 crisis, and Velindre Fundraising is no different. The cancellation of so many events has meant our income has been hugely affected.

Each year, Velindre Fundraising invests £1,000,000 in ground-breaking clinical trials and international research which helps take us one step closer to eventually gaining Victory Over Cancer.

We have launched the #ThanksAMillion campaign to thank our incredible NHS staff and help raise the £1,000,000 we so desperately need. As we hope to see the end of the COVID crisis, we face the harsh reality that the Pandemic for Cancer Services is just beginning.

Your support and kind donations will help us make sure the patients of Wales receive the care they truly deserve.

Be our #OneInAMillion and say #ThanksAMillion for Wales' Premier Cancer Centre.

Tribute funds



Forever In Our Hearts

Velindre Fundraising is very privileged to work closely with many families helping support them in finding ways to honor a loved one who has died and who is forever in their hearts.

We are often asked about the best way of raising funds in memory of a family member and ways to continue their legacy. To help provide this support, we have established the Velindre Tribute Funds which provide a bespoke individual page in love, honour and memory of a special person.

The page features personal images, an opportunity to share stories and information about the loved one as well as the ability to recognise special occasions and celebrate their life. Donations can be collected through the page and are automatically transferred to the charity providing you and your family ease and comfort knowing our team are taking care of this for you.

Your Tribute Fund page is unique and private to you and those you share it with. Along with donations, it will display the heartfelt messages of sympathy that are shared with them. You and your family can find comfort in reading these and checking your page in your own time, in your own home.

If you have any questions or hesitations about creating a Tribute Fund, please feel free to contact our supportive Fundraising Team who are on hand to explain the support available and help find the right process for you.

We would also like to hear if you are planning any fundraising activities or memory walks so that we can help provide event guidance, Velindre resources and digital support.

Remember we are here to support you in any way we can

LINK: <https://www.cognitoforms.com/VelindreFundraising/CreateYourVelindreTributeFund>

mount KILIMANJARO TREK

10-19 June 2022

Kilimanjaro is one of Africa's most magnificent sights, and at 5,894m 19,340ft it is her highest peak. It is the tallest freestanding volcano in the World and Kibo, which is the central crater, rests on its two sisters Mawenzi and Shira.

We will be ascending by the Rongai route, which approaches Kilimanjaro from the north and retains a sense of untouched wilderness lost on the crowded Marangu and Machame trails. The most straight forward of all the walking routes up Kilimanjaro, it has a relatively gentle gradient and short daily stages as it winds its way from the starting point just south of the Kenya-Tanzania border.



 info@velindrefundraising.com

 029 2031 6211



Great wall of china TREK

7-15 may 2022

Experience the most astounding chain of castles to be found anywhere on earth by trekking along a part of The Great Wall of China. China is a land of towering mountains and epic landscapes – background scenery to the fall of dynasties, the rise of emperors and the turning of the revolutionary wheel.

The Great Wall was started by the Qin Dynasty 2000 years ago. 10 years of labour by hundreds of thousands of workers laid the foundations for what we see today. During the Ming Dynasty (c1420) the project was revived for a further 100 years at the cost of many lives. What was once a symbol of tyranny being now the nation's leading attraction, a landmark that has been quoted as being the only manmade structure visible from space.



✉ info@velindrefundraising.com

☎ 029 2031 6211



majorca bike ride

10-19 June 2022

Join us on this spectacular long weekend of riding! Conquer Majorca's epic mountain climbs and descents, stunning coastline, rural flats and pass through sleepy Spanish villages peppered with orange groves.

We have a 3-day 390KM road ride challenge through stunning scenery, with some very tough climbs including an attempt on the Sa Calobra climb made famous by the training rides of Team Sky and Geraint Thomas!



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 029 2031 6211

