



GIG
CYMRU
NHS
WALES

Iechyd Cyhoeddus
Cymru
Public Health
Wales

Name of Meeting

Board

Date of Meeting

25 June 2020

Agenda item:

4.0

Accountability Report –

- **Corporate Governance Report**
- **Remuneration and Staff Report**
- **National Assembly for Wales Accountability and Audit Report 2019/20**

Financial Accounts and Audit Wales ISA 260 report

Executive lead:

Huw George, Executive Director of Operations and Finance and Deputy Chief Executive
Helen Bushell, Board Secretary and Head of Board Business Unit

Author:

Corporate Governance Report: Liz Blayney, Deputy Board Secretary and Board Governance Manager
Remuneration Report: Lucy Day, Business and Policy Support Manager
Financial Accounts: Angela Fisher, Deputy Director Finance and Jane Matthews, Head of Financial Reporting and Control

Approval/Scrutiny route:

Draft Corporate Governance Report, Remuneration and Staff Report approved for submission to Audit Wales and Welsh Government by Audit and Corporate Governance Committee on 22 May 2020

The Chief Executive reviewed and signed off the documents prior to submission to Welsh Government and Audit Wales.

The Committee will consider the final drafts of all documents at its meeting on 23 June 2020. A Verbal update will be provided to the Board on the outcome of this meeting.

Purpose

Public Health Wales is required to provide an Accountability Report as part of the Annual Report and Accounts for 2019/20. Guidance on how to complete and display this report has been issued by Welsh Government in the Manual for Accounts, and by HM Treasury in the Financial Reporting Manual (FRM). This report introduces the final reports.

Recommendation:

APPROVE



CONSIDER



RECOMMEND



ADOPT



ASSURANCE



The Board is asked to:

- **Approve** the Accountability Report for 2019/20;
- **Approve** the Financial Accounts and **receive** the Audit Wales Annual Opinion (ISA 260);
- Note that once approved, it will be submitted to Welsh Government on 30 June 2020.

Link to Public Health Wales [Strategic Plan](#)

Public Health Wales has an agreed strategic plan, which has identified seven strategic priorities and well-being objectives.

This report contributes to the following:

**Strategic
Priority/Well-being
Objective**

7 - Building and mobilising knowledge and skills to improve health and well-being across Wales

Summary impact analysis

**Equality and Health
Impact Assessment**

A formal Equality and Health Impact Assessment is not required on this governance document. The Annual Governance Statement includes an overview of Equality, Diversity and Inclusion for 2019/20

Risk and Assurance

N/A

**Health and Care
Standards**

This report supports and/or takes into account the [Health and Care Standards for NHS Wales](#) Quality Themes

Governance, Leadership and Accountability

Financial implications

There are no direct financial implications.

People implications

There are no direct people implications, although the reports contains details pertaining to the Board members. The Corporate Governance report also provides an overview of the business considered by the People and Organisational Development Committee in 2019/20.

1. Purpose / situation

Public Health Wales is required to provide an Accountability Report as part of the Annual Report and Accounts for 2019/20. Guidance on how to complete and display these reports has been issued by Welsh Government Manual for Accounts, and by HM Treasury in the Financial Reporting Manual (FReM).

The Audit and Corporate Governance Committee considered an earlier draft of the Corporate Governance Report and Remuneration and Staff Report at its meeting on 18 May 2020. Following the meeting, changes were made to the document to reflect the feedback received at the meeting. A revised version of this document was submitted to the Welsh Government and the Wales Audit Office for review. Comments were received from Welsh Government and Wales Audit Office and have been incorporated into the final draft.

The final draft is to be considered by the Audit and Corporate Governance Committee at its meeting on 23 June 2020, for recommendation to the Board for approval at its meeting on 25 June 2020.

2. Background

1.1 NHS bodies are required to publish, as a single document, a three part Annual Report and Accounts which includes:

- 1) The Performance Report, which must include:
 - An overview
 - A Performance analysis.
- 2) The Accountability Report, which must include:
 - A Corporate Governance Report
 - A Remuneration and Staff Report
 - A National Assembly for Wales Accountability and Audit Report.
- 3) The Financial Statements, including the Audited Annual Accounts 2019-2020.

In response to the COVID-19 pandemic, Audit Wales and Welsh Government confirmed a revised submission dates for annual report and accounts of the 30 June 2020.

The deadline date for the performance report is now the 30 September with the Annual General Meeting being held by the 30 November 2020.

The Accountability Report demonstrates how Public Health Wales meets key accountability requirements to the Welsh Government and is required to have three sections:

The Corporate Governance Report (Annexes 1-4)

This explains the composition and organisation of Public Health Wales' governance structures and how they support the achievement of the entity's objectives.

Remuneration and Staff Report (Annex 5)

This contains information about the remuneration of senior management, fair pay ratios, sickness absence rates.

National Assembly for Wales Accountability and Audit Report (Annex 6)

This contains a range of disclosures on the regularity of expenditure, fees and charges, compliance with the cost allocation and charging requirements set out in HM Treasury guidance, material remote contingent liabilities, long-term expenditure trends, and the audit certificate and report.

The Board Secretary and Head of Board Business Unit is responsible for the production of the Corporate Governance Report. This has been supported by consultation with Executive team members. The Remuneration and Staff Report has been produced by the People and Organisational Development Directorate and the Parliamentary Accountability and Audit Report has been produced by the Operations and Finance Directorate.

A revised draft of the Corporate Governance Report and the Remuneration and Staff Report were submitted to Welsh Government on 22 May 2020.

The Audit and Corporate Governance Committee will be reviewing the final draft of the Accountability Report at its meeting on 23 June 2020, a verbal update will be provided to the Board.

The Financial Accounts and the Audit Wales Annual Opinion (ISA 260) will be finalised and provided to the Board prior to the meeting.

3. Description/Assessment

The Accountability Report is **attached** for Board approval.

The Manual for Accounts states that the Corporate Governance Report must include the:

- Directors' Report (Annex 1)
- Statement of Accountable Officer's Responsibilities (Annex 2)
- The Annual Governance Statement (Annex 3)

It also states that where information required within the Directors' Report is disclosed elsewhere in the Annual Report and Accounts a cross-reference may be provided. As the majority of the information is contained elsewhere, the Directors' Report is presented in the form of a table.

The Audit and Corporate Governance Committee have reviewed and made comment on an earlier draft of the Accountability Report at its meeting on 18 May 2020. A revised version of this document was submitted to the Welsh Government and the Wales Audit Office for review.

Since the draft version of the Annual Governance Statement submitted to Audit Wales and Welsh Government, the document has been updated to reflect feedback from:

<p>Audit Wales</p>	<p>Following the Committee’s consideration of the draft Report at their meeting on 18 May, a number of comments were received from Audit Wales based on this draft. These changes were made and incorporated into the version that was submitted to Audit Wales on 22 May 2020.</p> <p>External auditors reviewed the draft Corporate Governance Report and draft Remuneration and Staff report and provided feedback on 9 June 2020.</p> <p>Details of the comments received are included in the table below.</p>
<p>Internal Audit</p>	<p>The Head of Internal Audit reviewed the document and suggested further clarity on the wording for the areas of ongoing Internal audit work within section 2.4.1, which were incorporated into the draft that was submitted on 22 May 2020 to AW and WG.</p>
<p>Welsh Government</p>	<p>Welsh Government reviewed the draft Corporate Governance Report and draft Remuneration and Staff report and provided feedback on 11 June 2020. The comments and changes are listed in the table below</p>

When the information contained within these reports is formatted for inclusion in the Annual Report it may take a slightly different form. The timescale for production of the Annual Report varies from that of the Accountability Report.

3.1 Well-being of Future Generations (Wales) Act 2015

The Accountability Report provides the Board with assurance that the Committee’s work is fulfilling its function and terms of reference, supported by effective governance measures. The Committee’s work covers the Well-being objectives identified above.

This work has been put together following the five ways of working, as defined within the sustainable development principle in the Act, in the following ways:



The content of the Accountability Report includes an overview of the long-term strategy and indicates future planned work to improve the governance of the organisation.



The Accountability Report provides an overview of how key issues relating to the organisation's mission, which includes prevention through improving public health.



This report provides assurance that the organisational governance structure is robust and effective in this role.



Staff across directorates have contributed to the development of both the Accountability Report. An overview of the integrated governance structure in Public Health Wales is also provided in the report.



This report provides a broad overview of the main areas of the organisation's governance for 2019/20, which includes staff and service-user engagement.

4. Recommendation

The Board is asked to:

- **Approve** the Accountability Report for 2019/20;
- **Approve** the Financial Accounts and the Audit Wales Annual Opinion (ISA 260);
- Note that once approved, it will be submitted to Welsh Government on 30 June 2020.