

Wales Centre for Health Annual Report and Accounts 2006-07

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1. Chair's introduction

1. I am not one for making empty remarks as if they were important. But if there are important issues to bring to the attention of the reader of this our second Annual Report, then I do not flee from laying them on with a trowel. And so it must be in writing this brief outline of the sterling achievements gained by the Wales Centre for Health, its staff and its board in the past year. A year that has been challenging, that probably heralds even greater change in the years to come; yet a period that has unswervingly demonstrated the important place the Centre has firmly established for itself as a major player in improving the health of the people of Wales.

2. As an Assembly Government Sponsored Public Body, paramount among our achievements this year is the completion on 31 March 2007 of our two-year probationary period. Given the favourable comments from the independent assessor, we are confident that we will pass the probationary period with flying colours, the first Assembly Government Sponsored Public Body to do so. Rewarding too was the recognition and praise given to our work by Lord McKenzie, DWP Minister, who visited us in March 2007 to learn about a platform of initiatives focusing on economic inactivity, indebtedness and health, and well-being in work which are being taken forward by the Centre. The value of our work in confronting these issues of substantial importance to Wales was also lauded as a singular contribution to the UK Government's Health, Work and Well-being Strategy. Key achievements, which are well documented in the following pages, across a wide range of topics and activities strongly reflect what we hold to be essential for improving health, developing strong and cohesive communities, and forging sturdy and durable links with partners embarked upon the same quest as ours.

3. It is delightful for me to record here my thanks to fellow board members who by their unrelenting support, industry, commitment and selfless exploitation of their valued expertise have subscribed much to the progress and accomplishment described in this report. The development and dissemination of the Community Health Profiles during the year is but one example of the excellent working relationships between board members and the Centre's staff, and well illustrates the excellent representational activities undertaken by the board. It is incumbent on me too to express my thanks to David Seal who as Acting Chief Executive during the first two years of this Assembly Government Sponsored Public Body, and his long involvement with the Centre in its shadow form, helped to steward this organisation through its formative years.

4. I end, not least, with a tribute to the hard working and loyal staff of the Wales Centre for Health without whom I would probably have to resort to those platitudes which I began by refuting. Please read the following pages which provide the stuff that supports my pride as Chair.

Professor Mansel Aylward CB
Chair: Wales Centre for Health

2. Overview

1. Our health is not independent of our life choices. Our health is shaped largely by the way in which we live our lives and the opportunities - or lack of them - that we are given.

2. We at the Wales Centre for Health (WCfH) believe that factors such as housing, education, the environment, economic activity, diet and nutrition all play a significant part in shaping an individual's, a community's and a nation's health. Therefore, we are committed to forging strong links with partner organisations to explore and address the root causes of the health inequalities that blight some of our citizens' lives.

3. Improving health and developing strong and safe communities are core principles shared by the WCfH and the Welsh Assembly Government. It is now two years since we were made an official Assembly Government Sponsored Public Body (AGSPB), and in that time we have been able to make an important contribution to improving the health and wellbeing of the people of Wales.

4. Through our statutory remit to communicate better health messages to the public, undertake and commission research into such matters, and contribute to the development of public health training, the WCfH has developed and maintained its position as the 'hub of connected organisations' in Wales.

5. The nature of this partnership working is such that any identifiable improvements to the health and wellbeing of the people of Wales would be attributable to these partnership arrangements. The importance of developing and maintaining these links is emphasised throughout this Annual Report.

6. Though our strategic objectives have remained the same since our creation in 2005, our operational objectives have been expanded to include implementing our plans on communicating with the public; developing our health information and surveillance function; managing the delivery of an agreed workplan with the Welsh Collaboration on Accident Prevention and Injury Control (CAPIC); and scoping a research and development capacity within the WCfH.

7. The WCfH is a socially responsible employer and takes its job of maintaining the health and wellbeing of its staff very seriously. In recognition of this, we were re-awarded the Gold Corporate Health Standard in February 2007. The assessors were very impressed by the commitment of all staff members and were delighted to re-award the Gold Standard for the next two years.

3. Governance Arrangements

Background

1. The Wales Centre for Health (WCfH) was established as an Assembly Government Sponsored Public Body (AGSPB) on 1 April 2005 with the following statutory remit:

- to develop and maintain arrangements for making information about matters related to the protection and improvement of health available to the public in Wales;
- To undertake and commission research into such matters; and
- To contribute to the development and provision of training.

The board and senior management

2. As well as a close working relationship with the Welsh Assembly Government's sponsor division, during the year the WCfH's work was overseen by an active board. The board members throughout 2006-07 were:

Professor M Aylward CB (Chair)
Mr D Hugh Thomas CBE KStJ DL¹ (Deputy Chair &
Audit Committee Chair)
Dr C Clowes
Mr B Foday
Mr M Hughes¹
Mr N Jellings
Mrs H Taylor OBE¹

Note 1: These board members were also members of the WCfH's Audit Committee

3. During the year the WCfH's senior management team comprised of:

Name	Position	Employment Status	Dates of Appointment
Mr D Seal	Acting Chief Executive	Fixed Term	1 April 2005 to 31 March 2007
Dr J Gray	Director of Health Improvement	Permanent	21 November 2005 to present
Mrs S Holroyd	Director of Finance	Permanent	1 December 2005 to 30 April 2006
Mr B Pickett	Director of Finance	Secondment	1 April 2006 to 11 September 2006

Mr K Cox	Director of Corporate Services	Secondment	1 August 2006 to present
Mr J Spence	Director of Operations	Secondment	1 August 2006 to present
Mrs S Mably	Public Health Specialist	Secondment	1 August 2006 to present

The terms of appointment of board members and senior managers can be found in the Remuneration Report in Section 6 of this report.

Accounts direction

4. The accounts have been prepared in accordance with an Accounts Direction issued by the Welsh Assembly Government, with the agreement of the Treasury.

Register of interests

5. A register of company directorships and other significant interests is maintained and held at the WCfH's offices in Cathedral Road, Cardiff and is available for inspection by the public on request.

Appointment of auditors

6. The accounts of the WCfH are audited by the Auditor General for Wales as required by the Government for Wales Act 1998 and Statutory Instrument 2003/749 made there under. In common with other ASPBs and at the request of Welsh Assembly Government, the Auditor General for Wales also undertakes Additional Assurance work on the WCfH's activities. Audit fees are disclosed in note 6 to the statement of accounts included within this document.

7. The Audit Committee is chaired by Mr D Hugh Thomas CBE KStJ DL. Board Members Mrs H M Taylor OBE and Mr C G M Hughes also serve as members of the Audit Committee. The Audit Committee's main duties are to consider the effectiveness of the WCfH's overall internal control and risk management systems and to ensure adequate processes and mechanisms are in place for the assessment and management of risk. It considers the scope of audit coverage and adequacy of management responses to the audit recommendations and advises the Chief Executive on audit and compliance matters. The Audit Committee met on four occasions during the year 2006-07.

Disclosure of audit information

8. As far as the Accounting Officer is aware there is no relevant audit information of which the WCfH's auditors are unaware. It is confirmed that all

the steps that should be taken to make the Accounting Officer aware of any relevant audit information and to establish that the WCfH's auditors are aware of any such information have been taken.

Financial review

9. The year's accounts reflect a change in the way grant in aid is accounted for which is in accordance with the Government Financial Reporting Manual for 2006-07. Such payments from a controlling party (the Welsh Assembly Government) are required to be regarded as funding and credited to the general fund in the balance sheet rather than as operating income for the year, or as a movement on the government grant reserve. The detailed impact on the 2005-06 comparative figures as prior year adjustments is shown in notes 1 and 13.

10. As a result, the net operating costs for the year were £1,228,000 (£1,197,000 in 2005-06). The cumulative general fund at 31 March 2007, after crediting grant in aid of £1,320,000, was £138,000 (£42,000 in 2005-06). The WCfH's expenditure is planned on the basis of the funds available to it through annual receipts of grant in aid and from other income and general fund balances. The financial statements will therefore always show a net operating cost for the year as a result of the crediting of funding received to the general fund in the balance sheet. The Wales Centre for Health's activities are also planned to ensure that its cash carry forward remains within the two per cent of total grant in aid and other income for the year allowed by the Welsh Assembly Government.

Payment policy

11. Under the terms of its financial memorandum with the Welsh Assembly Government, the WCfH is obliged to pay its invoices within the terms of contract or 30 days. During 2006-07 the WCfH paid over 98 per cent of its invoices within 30 days.

Pension scheme

12. Details of the WCfH's pension scheme are disclosed in the Remuneration Report, in section 6 of this document.

Post balance sheet events

13. The Acting Chief Executive's fixed term contract ended on the 31 March 2007. From this date, the Accounting Officer responsibilities were retained by the Welsh Assembly Government's Head of Health and Social Care Department.

The probationary period

14. As a new AGSPB, the WCfH has to complete a two-year probationary period. This probationary period ended on 31 March 2007 and an assessment by

an independent consultant has been made which is now with the Welsh Assembly Government for consideration.

15. The WCfH must complete this probationary period satisfactorily to ensure its long-term future. The WCfH is confident that it is well placed to achieve this objective. This is based on its rigorous governance arrangements, internal and external audit assessments carried out to date and close but formal working relationship with the Welsh Assembly Government's sponsor division.

4. Key achievements

4.1 Supporting professionals

1. Our vision is to see the WCfH *"...adds value to the work of every organisation with a role to play in health, so that the sum of their contribution to the health and wellbeing of Wales is greater than their individual efforts"*.
2. To help achieve this, the WCfH has continued to strive to promote cross-boundary working and has developed and supported a number of national networks in Wales to aid this process. We have worked with many partner organisations this past year to develop a strategic policy document to support 'Designed for Life' and 'Designed to Deliver', enabling us to address the policy objective that *"by 2015 Wales will have minimised avoidable death, pain, delays, helplessness and waste"*.
3. Throughout this last year, we have project managed the **Quality Improvement Plan for Wales (QuIP)** in collaboration with the Welsh Assembly Government, and as part of 14 key actions have gained Ministerial approval to bring together the new and existing quality and safety initiatives in a high profile campaign to save lives in Wales. The project remit and resources have been identified in partnership with the National Public Health Service for Wales (NPHS), the National Leadership and Innovation Agency for Healthcare (NLI AH) and the Welsh Assembly Government, with the WCfH continuing to play a key role in driving forward the agreed outputs.
4. The WCfH supported the Health Foundation **Safer Patient Initiative (SPI)** joint application by Cardiff & Vale and Gwent Healthcare NHS Trusts. The successful application - which we again project managed - has enabled a unique opportunity to work with the Institute for Healthcare Improvement (Harvard University) on a programme designed to build practical expertise in patient safety and develop strategies to spread learning throughout and beyond new partnerships. The SPI has engaged key frontline staff and provided opportunities for role development in line with Agenda for Change and the Key Skills Framework. As a result, a measurement system developed to reflect current safety performance and the data used to drive improvement and public awareness across Wales was established in 2006-07.
5. We have also continued to build on the previous successes of the WCfH **Public Health Training, Fellowships, Bursaries and Top Up Training Scheme** with a 100 per cent success rate for admission to the UK Voluntary Register for Public Health Specialists for individuals supported by the scheme which has been ongoing since 2005.
6. A further four additional individuals participated in the top up training schemeworking towards 'defined' registration through action learning sets, one to one interviews and masterclasses in 2006-07. In addition, thirteen bursaries were awarded to support individuals taking Masters in Public Health.

7. Following on from the successes of the Top Up Training Scheme, the **Public Health Specialist Alumni** Scheme was launched in March 2007 by the Chief Medical Officer for Wales. Feedback was very positive and the alumni members have been incredibly supportive. A programme of work has been established and will be taken forward to include regular news updates, events and the launch of a dedicated part of the WCfH website.

8. We continued to make a significant contribution to continuing professional development with two Defined Specialist Workshops which were held in September 2006 and February 2007 respectively, for those interested in defined registration on the **UK Voluntary Register for Public Health Specialists**. The workshops explored the portfolio assessment framework for defined specialists and explained the portfolio development funding and support available from the WCfH.

9. Originally established in November 2003, the delivery of the **training programme for officers with a lead in communicable disease control** has continued throughout 2006-07. Training was provided by a variety of specialists from the NPHS, the voluntary sector, private contractors and local authorities. Three major events were designed and delivered for the Lead Officers with responsibility for communicable disease control: Food Standards Agency (FSA) & food poisoning outbreaks and legal and enforcement issues; epidemiology and statistics; and a Microbiology update, Epi-info, CoSurv and related software.

10. An ongoing programme has been developed and agreed for 2007-08, incorporating all the positive feedback from recent Lead Officer training evaluations. The WCfH is further building on this well received and very successful programme by mapping the future training to the National Occupational Standards for the Practice of Public Health (NOSPHP).

11. An updated version of the innovative **Training and Education Directory for Public Health Practitioners in Wales** was produced and disseminated in May 2006 and proposals to further scope areas of public health practice already detailed in the Directory are being developed.

12. Complementing the Directory, the WCfH held a **Public Health Career Framework Workshop** in December 2006 informing stakeholders of the development of a 'route map' for career progression in public health. The event was also designed to engage with stakeholders and gather feedback with which to shape the final content and structure of the Framework. The workshops were facilitated by ourselves and Skills for Health with a view to promoting the Framework in 2007-08.

13. The Deputy Minister for Health and Social Services formally unveiled the **Nutrition Network for Wales (NNW)** at the 'FSA Wales Food and Wellbeing' conference in June 2006. Since its launch, the NNW has grown in strength and now has over 800 registered partners from a range of sectors

including academia, education, Government, health, public health, the voluntary sector and many others. The virtual network is proving to be popular, with almost 8000 visits to the NNW bilingual website in January 2007 alone.

14. Running in parallel, the **Physical Activity Network for Wales (PANW)** was also launched by the Deputy Minister for Health and Social Services at the 'Green Spaces: A Pathway to Health' conference in March 2007. The network has provided a forum for discussion and communication between physical activity professionals since it was created in November 2005 and membership has continued to increase. A stakeholder event was held in April 2006 to highlight the opportunities of the Network to a wider group and share best practice in the field of physical activity.

15. The **All-Wales Sexual Health Network**, run in conjunction with the fpa (formally known as the Family Planning Association) since October 2005, has continued to provide a valuable discussion forum for a range of agencies and individuals involved in the promotion of better sexual health. Two major conferences for sexual health professionals on 'Improving Access to Services' and 'Child Protection and Sexual Health' in June and November 2006 respectively, were held and feedback was very positive.

16. Further to the Ministerial request in the 2006-07 remit, a literature review of the relationship between **health and over-indebtedness** was undertaken and a key stakeholder group was established in November 2006. This group considered the key features of a referral route through which health and social services professionals could direct individuals to financial and debt advice and proposed a way forward for such a development. The work was presented to the Minister for Health and Social Services and reported to the Health and Social Services Committee in March 2007.

17. The WCfH continued to play an important role in the multi-agency **Chemicals in the Environment Advisory Group**, during which we undertook a project to produce a preliminary Inventory of Sampling and Monitoring Equipment on behalf of the Chemicals in the Environment Task and Finish Group. This work was presented to the Advisory Group in March 2007 and was very well received. We also contributed to the work of the second Task and Finish Group dealing with the development of a communications framework to scope the training needs of the membership, to be rolled out in 2007-08.

18. The **Welsh Health Impact Support Unit (WHIASU)**, based in Cardiff University and the WCfH in Wrexham, has continued to work with the NPHS throughout North and South Wales. The work has included supporting the use of health impact assessments (HIA) within local health boards (LHBs) and community groups such as Ynys Môn LHB with their Community Hospitals Review; Wrexham Communities First (Broughton Partnership) on their Health and Wellbeing Action Plan and Corwen Healthy Living Centre Partnership in Denbighshire on an HIA of the Centre and its activities.

19. WHIASU has also played a pivotal role in facilitating rapid appraisals, providing support and liaison for ongoing HIA, developing local screening tools and providing HIA training to the wider public health workforce. The WCfH has maintained its responsibility for ensuring that the work programme is delivered and also has a key strategic role in promoting HIA and disseminating results and evidence of the progress achieved by WHIASU.

4.2 Helping people to help themselves

1. Communicating better health messages to the public is a key priority for the WCfH. We have lent our support and expertise to many projects on regional, national and international levels, whilst also piloting modern techniques to engage with and ultimately improve health and wellbeing for the people of Wales.

2. During 2006-07, we have completed four public health communication exercises, or '**hot topics**', on childhood food and fitness, alcohol awareness, gathering the public's top tips for health, and raising awareness of local green spaces for health. All four hot topics were researched, produced, disseminated and evaluated using expertise from the WCfH and consultation from partner organisations.

3. The first hot topic on **childhood food and fitness** took place in June 2006. A booklet was produced by the WCfH and disseminated to every parent of a child aged between 7 - 11 years old in Wales containing information on local free fitness schemes and the dangers of childhood obesity. A workshop was also held at the Food and Fitness for Children and Young People conference organised by the Welsh Assembly Government on 29 June 2006. Feedback on the booklet was very positive and there were many media enquiries around it, including a double page placed article in the national press.

4. The second hot topic on **alcohol awareness** ran in December 2006 to promote sensible drinking limits in time for the Christmas party season. Bilingual posters and wallet sized info-cards were produced and disseminated to the top 100 businesses in Wales, local authorities, local health boards and NHS Trusts. The WCfH website carried new information on the implications of excess alcohol consumption for each day of the hot topic. Indeed, it was deemed such a success that the WCfH has been asked to repeat the campaign.

5. In January 2007, the third hot topic invited the public to submit their **top tips for health** in return for which they could win a spa break at a top Welsh hotel. This communications-based campaign ran for a month and was designed to capitalise on the New Year's resolution market. An online diary ('Jo Blog') was kept by our Media Officer, detailing her efforts to get healthy thus bringing a human interest angle to the campaign. This tactic of creating a two-way relationship with readers was very successful as hits to the WCfH website increased significantly during January and feedback was plentiful and very encouraging.

6. Finally, the fourth hot topic, held over one week in March 2007, was aimed at physical activity and countryside professionals throughout Wales. The Physical Activity Network for Wales (PANW) and 'A Profile of Rural Health in Wales' were officially launched at the conference on '**Green Spaces: A Pathway to Health**', organised by the WCfH and the Countryside Council for Wales (CCW). The conference used open space technology to allow delegates the opportunity to decide the direction of discussion. This was a great success

and feedback was very inspiring. As part of its Memorandum of Understanding with the CCW and the joint work programme, the WCfH also presented at a public seminar at the Royal Welsh Show on 'Health and the Environment: A Study into People's Perceptions' in July 2006.

7. After successfully planning and hosting the **Seventh International Health Impact Assessment** Conference in Cardiff in April 2006, it has been a very productive year for the Welsh Health Impact Support Unit (WHIASU). As well as conducting many local HIA screening and training sessions, the Unit has continued to produce and disseminate its bilingual e-newsletter. The WHIASU website has also been regularly updated resulting in a significant increase in hits as HIA gain profile and importance in the community. WHIASU also provided advice, guidance and support with ongoing HIAs, namely Topic House (a centre for older people in Swansea) and the Wales Waste Strategy Review.

8. We have maintained our key function of communicating better health messages to the people of Wales this past year. The bimonthly bilingual 'news@wcfh' has continued to be produced and disseminated to a distribution list of around 1,500 and is consistently among the most viewed pages on the WCfH website. Network newsletters such as **E-Nutrition Network News** (monthly), **InterSEXion** (quarterly) and the **PANW Network News** (bimonthly) are also produced bilingually and disseminated to professionals, partners and the interested public with a view to sharing best practice and keeping people up to date with the latest network developments.

9. The **Welsh Backs** campaign, sponsored by the Welsh Assembly Government, was aimed at changing the ways the public, employers and health professionals think about back pain management and was launched in October 2006. A key component of this high profile campaign was the **GP Desk Aid**, developed by the WCfH through consultation with back pain specialists. The GP Desk Aid contains the most up to date information and best practice on the treatment of non-specific back pain. Though this is by no means new information, the Desk Aid provides guidelines to promote the messages that patients need to hear in consultations with GPs and other health professionals.

10. A copy of the Desk Aid was disseminated to all GPs in Wales in September 2006 as part of a consultation exercise. Many GPs endorsed the Desk Aid and feedback showed that while it was useful in its current format, many GPs thought it could be used more effectively as an online interactive tool. The WCfH is now developing an interactive Desk Aid, informed by continuing feedback from GPs and other health professionals, in collaboration with Cardiff University.

11. We have continued to meet our contractual arrangements to provide a support and development programme for **Healthy Living Centres (HLCs)** in Wales. Though it has been a challenging time for many of the HLCs as their initial financial support from the Big Lottery Fund comes to an end, many have taken advantage of the valuable networking and training opportunities the

WCfH has provided to help them scope possibilities for sustaining their work through other means.

4.3 Working with academia

1. The WCfH is committed to working with partners from many different sectors in order to join up public health promotion and research, with academia playing a central role in this process.
2. A need for primary care practitioners to be more aware of the benefits of good nutrition to health and wellbeing was identified in September 2005. Consequently, the WCfH developed a pilot course for **Nutrition Training for Primary Care Practitioners** in partnership with Bangor University in July 2006. Further work in the field of nutrition training is currently ongoing at the WCfH, building on the training already offered.
3. We have also been working with two key partners - Skills for Health and the School of Health Science at Swansea University - in order to address the issues for academia raised in the recommendations of the CMO's Task and Finish Group Report (2005) and the WCfH Public Health Exchange Report (2006). To date the project has scoped public health modules at degree-level and above provided by Higher Education Institutes (HEIs), and mapping of Masters-level public health modules in Wales, utilising the National Occupational Standards for the Practice of Public Health (NOSPPh) framework. A workshop was held in January 2007, where there was full representation by all Wales-based Universities. Evaluations were extremely positive and all those present committed to working together to continue to build on this new and innovative project.
4. The WCfH has continued to play a major part in the **Wellbeing in Work (WiW)** research study and colleagues from the Universities of Swansea, Cardiff and Keele are now seconded to us in order to take this work forward. This year saw the commencement of Stage 2 of the project which seeks to collect primary data on the impact of health on work within major employers in the Merthyr Tydfil area. The research will include the effects of health on work performance as well as sickness absence, and assess the availability and effectiveness of current work retention and rehabilitation interventions for people with health complaints.
5. The partnership between public health research and academia is vital to the success of this project as it is through the disciplined methodology employed by researchers that we can accurately measure what steps should be taken to improve the health and wellbeing of the people of Wales.

4.4 Supporting policy with information

1. Gathering accurate timely health information and intelligence is crucial to building the foundations upon which informed public health decisions are taken.
2. The Information Team has just completed its first full year of operations, which has been marked by the team achieving a high profile within the Welsh health intelligence community and being accepted as a valuable partner by colleagues in the UK and across Europe.
3. One of the biggest demands in 2006-07 was the dissemination and presentation of '**A Picture of Health in Wales: Community Health Profiles**'. Eighteen presentations were delivered to local level stakeholders across Wales between April and June 2006. These presentations were warmly received and gave us the opportunity to listen to views regarding what health intelligence is needed to support the improvement of health and wellbeing across Wales. These seminars were also supported by two meetings at the Houses of Parliament and the Senedd, National Assembly for Wales. The Community Health Profiles were an important calling card for the WCfH and have laid the groundwork for the development of future work.
4. Developing collaborations with partners across Wales was a priority for the WCfH in 2006-07, with supporting the **Welsh Health Analyst Network (WHAN)** and the development of the Health in Wales website as main priorities.
5. The Welsh Health Analyst Network is a key group of individuals across Wales that represents the collective expertise in the field of health intelligence. Partners include the NPHS, Informing Healthcare, Business Services Centres, Health Solutions Wales, Local Government Data Unit, Office of National Statistics, the Royal College of Physicians, University of Glamorgan, the Welsh Assembly Government, the Welsh Cancer Intelligence and Surveillance Unit, and the Centre for Health Information Research and Evaluation at Swansea University. The aim of the group is to co-ordinate work across Wales thus avoiding duplication, share best practice and provide opportunities for professional development. Members of the team have continued to provide a secretariat function since it joined in December 2005, and help shape the direction of future work.
6. Since April 2006, the WCfH has played an important role in the re-configuration of health information delivery across the NHS in Wales. The WCfH were involved in developing the architecture and providing content for the new portal which will gather pan-Wales health information and developments will be ongoing in the next financial year.
7. The WCfH has played an important role in the **Association of Public Health Observatories (APHO)** and has been involved in various projects, with the Head of Health Information and Intelligence being named as acting vice-chair of the APHO technical group from July 2006 to March 2007. The WCfH also presented

at numerous sessions at the Annual APHO Conference in September 2006 and is recognised as an important contributor to the development of health intelligence in the UK and the Republic of Ireland.

8. The 'Guide on Use of Population data for Health Intelligence in Wales' was produced as a collaboration between the WCfH and the NPHS in October 2006. It was disseminated to local authorities, local health boards and other stakeholders in Wales with a view to educate and inform policy/decision makers. It explains the different sources of population data, their strengths and weaknesses and details of the availability for types of age groups, years and geographies and on a higher level shows what can be achieved in collaboration with other organisations.

9. The 'Profile of Rural Health in Wales' showed that the rural idyll of green rolling hills and 'chocolate box' villages can mask serious health implications for people in rural settings. Access to services is generally poorer than in urban areas, which for example can have a knock-on effect on elective admissions to hospital. The report was launched at the 'Green Spaces: A Pathway to Health' conference and at the 'Equity for Rural Health' conference both held on 15 March 2007. It was very well received and many copies have since been requested or downloaded from our website.

10. Throughout 2006-07, WHIASU has supported the Welsh Assembly Government by providing information to support the development of HIA for the Wales Waste Management Strategy, feedback on the Draft Ministerial Interim Planning and Policy Strategy on "Health and Wellbeing" 2006 Consultation, and housing and telecommunications masts.

4.5 Wales and the world

1. Following the WCfH contribution to the Helsinki meeting of the **'Healthy Ageing: A Challenge for Europe'** project in October 2006, the WCfH brought together experts in the field of healthy ageing and older people from across the UK and the Republic of Ireland to discuss the recommendations made in the Healthy Ageing Report. At this meeting, held in December 2006, a plan for cascading the recommendations across the nations of England, Wales, Scotland, Northern Ireland and the Republic of Ireland (RoI), was agreed. The Healthy Ageing project attempts to create a holistic approach to health in later life with the aim of promoting healthy ageing in life stages 50+. Subsequently, a report was produced and the WCfH presented with UK and RoI colleagues at a workshop in Rome in January 2007.

2. As a longstanding member of EuroHealthNet - a network of health promotion and public health agencies in Europe - the WCfH took part in the European funded **'Closing the Gap'** project and produced a strategy for action on health inequalities, organising a corresponding conference in February 2007. The conference was a great triumph with representation from three other European countries, Cardiff University and the Chief Medical Officer for Wales. The strategy for action will go on to form the final report on tackling health inequalities across the EU published in June 2007. There was a significant amount of press interest in this conference and a placed article in the national press was secured and used to raise awareness of the issue and the conference itself.

3. The Head of Partnerships and Communications was recently elected to the Board of EuroHealthNet in March 2007. A new quarterly e-bulletin on the role Wales plays in Europe called **'healthEU'** was created, produced and disseminated in November 2006 and was welcomed by the public health community. Feedback on the two subsequent issues was also very positive.

4. The WCfH plays a key role in the **'Effectiveness of Health Impact Assessment'** European Commission project run by the World Health Organisation European Observatory on Health Systems and Policies. The WCfH is one of the seventeen project partners and one of the fourteen Member States taking part which has provided an opportunity for Wales to showcase its achievements in HIA as well as producing some valuable outcomes.

5. Phase One, which was essentially a mapping exercise on the positioning of HIA presenting comparative information across 14 European countries, has provided an opportunity for the Welsh Health Impact Assessment Support Unit (WHIASU) to contribute to two chapters in **'Health in All Policies: Prospects and Potentials'** (published 2006). The in-depth case study of the Nant-y-Gwyddon landfill remediation HIA for Phase Two will comprise a book chapter in a publication to be launched at an event organised by the European Observatory on Health Systems and Policies in Brussels in the spring of 2007. WHIASU continues to be involved as a member of the Partnership Group and as a member of the Advisory Steering Group to the project.

6. In January 2007, we invited Dr Donald Berwick, President and CEO of the internationally renowned **Institute for Healthcare Improvement (IHI)**, to give an incisive lecture on quality and safety in healthcare to an audience of 350 health leaders and health professionals from all over Wales.

7. The visit was a great success and has since enabled us to secure a partnership with the IHI and build synergy and strengths to improve healthcare in Wales. The partnership has inspired the WCfH to identify training and education courses that can be marketed for IHI, and future work will look to create a senior fellow desk at the IHI Boston office and build an Institute for Healthcare Improvement European office in Wales. To build upon the success of the IHI visit, a database of quality improvement contacts including health professionals, front-line staff and academics has been developed.

5. The year ahead: 2007-08 and beyond

1. A 'Review of the Public Health Function of National Health Organisations and Units in Wales' was carried out in 2006-07. Public health organisations under review included: the WCfH, NPHS, NLIAH, Welsh Cancer and Intelligence and Surveillance Unit (WCISU), Screening Services Wales, Health Solutions Wales, Clinical Governance Support and Development Unit (CGSDU), Welsh Office for Research and Development (WORD) and the Congenital Anomaly Register and Information Service (CARIS).

2. Following the recommendations made by the review team, the Minister for Health and Social Services approved the unification of seven public health organisations/units, including the WCfH, into a single, integrated public health system for Wales.

3. The next year promises many changes, yet all of us at the WCfH are looking forward to working together with our many partners to contribute to a more efficient, effective and coherent public health system to improve the health of the people of Wales.

4. Overall, it has been an exceptional second year for the WCfH. We have grown in size, reputation and influence not only in Wales, but in the rest of the UK and Europe. Our success from the widening of our remit in 2006-07 and the development of a longer-term vision for public health, demonstrates that the WCfH has become a key agent in improving health and wellbeing in Wales.

6. WCfH financial summary 2006-07

6.1 Remuneration report

Introduction

1. During 2006-07 board members ratified decisions on remuneration for senior management and principles of payment for other staff. A remuneration committee comprising all board members has been established. This section sets out the remuneration arrangements of both the WCfH's senior management and board members.

Member's remuneration

2. Details of board members' remuneration are set out below. Members' salaries related entirely for services rendered during the year. No pension contributions were payable as these posts do not attract any pension benefits.

Name	2006-07 Salary £'000
Professor M Aylward CB (Chair)	26
Dr C Clowes	4
Mr B Foday	4
Mr M Hughes	4
Mr N Jellings	4
Mrs H Taylor OBE	4
Mr D Hugh Thomas CBE	5

Senior managers' remuneration

Name	Salary £'000	Benefits In Kind £'000	Total Remuneration 2006-07 £'000
Mr D Seal	110	-	110
Dr J Gray	78	-	78
Mrs S Holroyd	4	-	4
Mr B Pickett	22	-	22
Mr K Cox	37	-	37

Mr J Spence	19	-	19
Mrs S Mably	24	-	24

Salary includes, gross pay and pay awards agreed by the Assembly. Mr K Cox, Mr J Spence and Mrs S Mably were seconded to the WCfH by their employers and were not therefore part of the WCfH pension scheme. Where applicable their salary costs include a refund to their employer of employers' pension and national insurance contributions and any irrecoverable VAT.

Pensions

	Accrued pension and related lump sum at 31 March 2007 £'000	Real increase in Accrued pension and lump sum in 2006-07 £'000	CETV as at 31 March 2007 £'000	Real increase in CETV in 2006-07 £'000
Mr D Seal	4	4	n/a	n/a
Dr J Gray	108	6	331	29
Mrs S Holroyd	23	-	57	-
Mr B Pickett	1	1	3	1

CETV = Cash Equivalent Transfer Value

3. All WCfH employees are entitled to join the NHS pension scheme. Full details of the scheme are included in accounting policy note 1.

Mrs Ann Lloyd
Accounting Officer
23 July 2007

6.2 Statement of the WCfH and Chief Executive's responsibilities

1. Under the Government of Wales Act 1998, the Welsh Assembly Government directed the WCfH to prepare for each financial year a statement of accounts in the form and on the basis determined by the Welsh Assembly Government with the consent of the Treasury. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the WCfH, of its income and expenditure, recognised gains and losses, and cash flows for the financial year.

2. In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the accounts direction issued by the Welsh Assembly Government with the consent of the Treasury including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements; and
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the entity will continue in operation.

3. For the 2006-07 financial year, the Additional Accounting Officer for the Health and Social Care Department of the Welsh Assembly Government designated the senior official, the Acting Chief Executive, as the Accounting Officer for the WCfH. The relevant responsibilities as Accounting Officer include responsibility for the propriety and regularity of the public finances and for the keeping of proper records, as set out in the Welsh Assembly Government Accounting Officers' Memorandum issued by the Treasury.

6.3 Statement on internal control

Scope of responsibility

1. For the 2006-07 financial year, the Acting Chief Executive, as Accounting Officer, had responsibility for maintaining a sound system of internal control, which supports the achievement of the WCfH's aims and objectives, whilst safeguarding the public funds and assets for which he was personally responsible. This is in accordance with the responsibilities assigned to me in Government Accounting and in the WCfH's Management Statement and Financial Memorandum issued by the Welsh Assembly Government. Following the departure of the Acting Chief Executive at 31 March 2007 the role of Accounting Officer reverted to me.

2. The WCfH is an Assembly Government Sponsored Public Body (AGSPB), established under the Health (Wales) Act 2003. As Accounting Officer, I am accountable to the Board of WCfH, which is appointed by the Welsh Assembly Government, for the overall organisation, management and staffing of the WCfH. The WCfH's Risk Management arrangements have been approved, and are subject to scrutiny, by the WCfH Board. The key strategic and operational risks faced by the WCfH are regularly brought to the Board's attention.

The purpose of the system of internal control

3. The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to:

- identify and prioritise the risks to the achievement of WCfH's aims and objectives;
- evaluate the likelihood of those risks being realised and the impact should they be realised; and
- to manage them efficiently, effectively and economically.

4. The system of internal control has been progressively developed since the WCfH was established as an AGSPB with a robust framework having been put in place. This has been maintained to the date of publication of this Annual Report and Accounts, and accords with Treasury guidance.

Capacity to handle risk

5. The Acting Chief Executive, as the Accounting Officer, had the responsibility of ensuring that appropriate activities take place within WCfH to manage risk. A Risk Management Policy has been developed and an organisation wide Risk Register is in place. Managers regularly consider the risks facing the organisation, and the Risk Register is regularly updated. The Risk Register is also reported to and scrutinised by the Audit Committee and WCfH Board.

The risk and control environment

6. The management of risk is an under-pinning part of the culture within the WCfH. The following points describe the key features of the control environment developed:

- regular risk assessment including full annual assessment undertaken by the Corporate Management Team;
- continuous review and maintenance of the organisation-wide Risk Register;
- procurement of specialist NHS internal audit services;
- strong open relationship with the external auditors, the Wales Audit Office;
- inclusion of risk management principles in corporate planning and decision making processes;
- adoption of Standing Orders and Standing Financial Instructions;
- formation of an Audit Committee whose remit covers performance management in addition to systems of control;
- formal systems of delegation; and
- monthly meetings with sponsor division and biannual review meetings with the Welsh Assembly Government.

Review of effectiveness

7. For the 2006-07 financial year, the Acting Chief Executive also had responsibility for the review and effectiveness of the system of internal control. His review was informed by:

- the work of the internal auditors;
- the executive managers within WCfH who have responsibility for the development and maintenance of the internal audit framework, and ensuring appropriate follow up and implementation of all agreed actions arising from internal and external audit report recommendations; and
- comments made by the external auditors.

8. Since taking on the role as the WCfH's Accounting Officer from 1 April 2007 I have received weekly updates from the Chief Operating Officer which has informed me of the latest developments and issues arising within the WCfH.

9. The results of my review of the effectiveness of the system of internal control have been discussed with the Audit Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Matters of note

10. There were no matters of note during the year.

Statement of assurance

11. Having reviewed the work of the Acting Chief Executive during 2006-07 I am satisfied that a sound system of control has operated within the areas for which I am the Accounting Officer.

Mrs Ann Lloyd
Accounting Officer
23 July 2007

6.4 The certificate and report of the Auditor General for Wales to the National Assembly for Wales

1. I certify that I have audited the financial statements of the Wales Centre for Health for the year ended 31 March 2007 under Paragraph 24 of Schedule 2 of the Health (Wales) Act 2003. These comprise the Operating Cost Statement, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that Report as having been audited.

Respective responsibilities of the Board, Accounting Officer and the Auditor General for Wales

2. The Board and the Accounting Officer are responsible for preparing the Annual Report, including a Remuneration Report, and the Financial Statements in accordance with Paragraph 23 of Schedule 2 to the Health (Wales) Act 2003 and Welsh Ministers' Directions made thereunder and for ensuring the regularity of financial transactions. These responsibilities are set out in the Statement of Accounting Officer's Responsibilities.

3. My responsibility is to audit the financial statements and the part of the Remuneration Report to be audited in accordance with relevant legal and regulatory requirements, and with International Standards on Auditing (UK and Ireland).

4. I report to you my opinion as to whether the financial statements give a true and fair view and whether the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with Paragraph 23 of Schedule 2 to the Health (Wales) Act 2003 and Welsh Ministers' directions issued thereunder. I report to you whether, in my opinion, certain information given in the Annual Report, which comprises the Background and Governance Arrangements, Management Commentary and Remuneration Report is consistent with the financial statements. I also report whether in all material respects the expenditure and income have been applied to the purposes intended by the National Assembly for Wales and the financial transactions conform to the authorities which govern them.

5. In addition, I report to you if the Wales Centre for Health has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by relevant authorities regarding remuneration and other transactions is not disclosed.

6. I review whether the Statement on Internal Control on pages 24-26 reflects the Wales Centre for Health's compliance with HM Treasury's guidance, and I report if it does not. I am not required to consider whether this Statement covers all risks and controls, or to form an opinion on the effectiveness of Wales Centre for Health's corporate governance procedures or its risk and control procedures.

7. I also read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements. My responsibilities do not extend to any other information.

Basis of audit opinion

8. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. My audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements and the part of the Remuneration Report to be audited. It also includes an assessment of the significant estimates and judgments made by the Board and the Accounting Officer in the preparation of the financial statements, and of whether the accounting policies are most appropriate to the Wales Centre for Health's circumstances, consistently applied and adequately disclosed.

9. I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements and the part of the Remuneration Report to be audited are free from material misstatement, whether caused by fraud or error and that in all material respects the expenditure and income have been applied to the purposes intended by the National Assembly for Wales and the financial transactions conform to the authorities which govern them. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements and the part of the Remuneration Report to be audited.

Opinions

Audit opinion

10. In my opinion:

- the financial statements give a true and fair view, in accordance with Paragraph 24 to Schedule 2 of the Health (Wales) Act 2003 and directions made thereunder by Welsh Ministers, of the state of the Wales Centre for Health's affairs as at 31 March 2007 and the net operating costs and cash flows for the year then ended;
- the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with Paragraph 23 to Schedule 2 of the Health (Wales) Act 2003 and Welsh Ministers' Directions issued thereunder; and
- information given within the Annual Report, which comprises the Overview, Management Commentary and Remuneration Report is consistent with the financial statements.

Audit opinion on regularity

11. In my opinion, in all material respects the expenditure and income have been applied to the purposes intended by the National Assembly for Wales and the financial transactions conform to the authorities which govern them.

Report

12. I have no observations to make on these financial statements.

Jeremy Colman
Auditor General for Wales
Wales Audit Office
2-4 Park Grove
Cardiff CF10 3PA
24 July 2007

7. Financial accounts

7.1 Operating cost statement

	Notes	2006-07 £'000	2005-06 (Restated) £'000
Expenditure			
Staff cost	4	1,323	1,065
Depreciation	1	5	-
Notional cost of capital charge	1	4	1
Other operating costs	6	756	807
Total Expenditure		2,088	1,873
Income from Activities	3	855	676
Transfer from Government Grant Reserve	11	5	-
Net Operating Costs before Interest		(1,228)	(1,197)
Interest received		6	7
Interest surrendered to Welsh Assembly Government		(6)	(7)
Net Operating Cost for the year transferred to General Fund		(1,228)	(1,197)
Movement on General Fund			
Balance brought forward		42	1
Net operating costs for the year		(1,228)	(1,197)
Welsh Assembly Government Grant in Aid	2	1,320	1,237
Notional cost of capital adjustment		4	1
Balance carried forward		138	42

All activities are continuing.

There were no recognised gains and losses in either 2006-07 or in 2005-06.

The notes on pages 33 to 43 form part of these accounts.

7.2 Balance sheet

	Notes	31 March 2007		31 March 2006 <i>(Restated)</i>	
		£'000	£'000	£'000	£'000
Fixed Assets					
Tangible Fixed Assets	7		19		24
Current Assets					
Debtors	8	263		86	
Cash at bank and in hand		80		141	
		<u>343</u>		<u>227</u>	
Creditors					
Amounts falling due within one year	9	169		145	
		<u>169</u>		<u>145</u>	
Net Current Assets			174		82
Provisions					
Less provision for future liabilities	10		36		40
			<u>36</u>		<u>40</u>
Total Net Assets			<u>157</u>		<u>66</u>
Financed by					
General Reserve	11		138		42
Government Grant Reserve	11		19		24
			<u>157</u>		<u>66</u>

The notes on pages 33 to 43 form part of these accounts.

Mrs Ann Lloyd
Accounting Officer
23 July 2007

7.3 Cash flow statement

	Notes	2006-07 £'000	2005-06 (Restated) £'000
Net cash outflow from operating activities	12	(1,387)	(1,049)
Returns on investment		6	7
Capital expenditure		-	24
Grant-in-aid applied for capital expenditure and disposals		-	(24)
Net cash outflow		(1,381)	(1,042)
Financing			
Welsh Assembly Government Funding		1,320	1,237
Net Funds at 1 April		141	(54)
Net cash inflow		1,461	1,183
Net Funds at 31 March		80	141

The notes on pages 33 to 43 form part of these accounts.

8. Notes to the financial statements

1 Accounting policies

Accounting convention

1.1 The accounts are prepared under the historical cost convention. Without limiting the information given, the accounts meet the accounting and disclosure requirements of the Companies Act 1985 and the accounting standards issued or adopted by the Accounting Standards Board so far as those requirements are appropriate. The WCfH is exempt from the requirement to produce a note of historical cost profits and losses under Financial Reporting Standard No. 3.

Change of accounting policy

1.2 The Financial Reporting Manual for 2006-07 has introduced a change to the way in which revenue grants and grant-in-aid should be accounted for. Under these changes such payments from a controlling party (which in this case is the Welsh Assembly Government) are required to be regarded as funding and credited to the General Fund rather than as operating income for the year. This change also impacts on the presentation of this funding in the Cash Flow Statement.

1.3 Prior year adjustments have therefore been made to the 2005-06 comparative figures which have been restated to reflect this change (see Note 13). These changes do not affect the overall level of taxpayers' equity as represented by capital and reserves.

Valuation of fixed assets

1.4 Fixed assets are stated at their value to the WCfH by reference to historic cost less depreciation. Fixed assets are capitalised at the cost of acquisition and installation where that cost exceeds £1,000. In the opinion of the WCfH, there is no material difference between the historic and current replacement cost of office furniture and equipment. Computer software costs are written off as incurred.

Depreciation

1.5 Depreciation of fixed assets is calculated to write off their cost or valuation over their estimated useful lives. All fixed assets are depreciated as follows:-

Fixtures, fittings and equipment	Straight line over 5 years
Computer equipment	Straight line over 3 years

Depreciation is calculated and charged on a quarterly basis. The first charge occurs in the first full quarter following acquisition.

Government grants

1.6 Grants of a revenue nature are now regarded as funding and are credited to the General Fund (see paragraph 1.2 above). Government grants receivable for capital expenditure are also credited to the Government Grant Reserve and released to the Operating Cost Statement over the expected useful lives of the relevant assets by equal amounts.

Value Added Tax (VAT)

1.7 The WCfH is not registered for VAT. All expenditure and fixed asset purchases are inclusive of relevant VAT.

Pensions

1.8 The provisions of the NHS Pension Scheme cover past and present employees. 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. As a consequence it is not possible for the WCfH to identify its share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as a defined contribution scheme and the cost of the scheme is equal to the contributions payable to the scheme for the accounting period. The total employer contribution payable in 2006-07 was £99,293.

1.9 The Scheme is subject to a full valuation for FRS17 purposes every four years. The last valuation took place as at 31 March 2003. The scheme is also subject to a full valuation by the Government Actuary to assess the scheme's assets and liabilities to allow a review of the employers contribution rates, this valuation took place as at 31 March 2004 and has yet to be finalized. The last published valuation on which contributions are based covered the period 1 April 1994 to 31 March 1999. Between valuations, the Government Actuary provides an update of the scheme liabilities. The latest assessment of the liabilities of the Scheme is contained in the Scheme Actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Resource Account, published annually. These accounts can be viewed on the NHS Pensions Agency website at www.nhs.gov.uk. Copies can also be obtained from The Stationery Office.

1.10 The conclusion from the 1999 valuation was that the scheme continues to operate on a sound financial basis and the notional surplus of the scheme is £1.1 billion. It was recommended that employers' contributions were set at 14% of pensionable pay from 1 April 2003. On advice from the actuary the contribution may be varied from time to time to reflect changes in the scheme's liabilities. Employees pay contributions of 6% of their pensionable pay.

1.11 NHS bodies are directed by the Secretary of State to charge employer's pension cost contributions to operating expenses as and when they become due.

1.12 The Scheme is a “final salary” scheme. Annual pensions are normally based on 1/80th of the best of the last 3 years pensionable pay for each year of service. A lump sum normally equivalent to 3 years pension is payable on retirement. Annual increases are applied to pension payments at rates defined by the Pensions (Increase) Act 1971, and are based on changes in retail prices in the twelve months ending 30 September in the previous calendar year. On death, a pension of 50% of the member’s pension is normally payable to the surviving spouse.

1.13 Early payment of a pension, with enhancement, is available to members of the Scheme who are permanently incapable of fulfilling their duties effectively through illness or infirmity. A death gratuity of twice final year’s pensionable pay for death in service, and up to five times their annual pension for death after retirement, less pension already paid, subject to a maximum amount equal to twice the member’s final year’s pensionable pay less their retirement lump sum for those who die after retirement, is payable.

1.14 Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. For early retirements not funded by the scheme, the full amount of the liability for the additional costs is charged to the income and expenditure account at the time the WCfH commits itself to the retirement, regardless of the method of payment.

1.15 The Scheme provides the opportunity to members to increase their benefits through money purchase Additional Voluntary Contributions (AVCs) provided by an approved panel of life companies. Under the arrangement the employee/member can make contributions to enhance an employee's pension benefits. The benefits payable relate directly to the value of the investments made.

Notional cost of capital

1.16 As directed by the National Assembly for Wales, a notional capital charge reflecting the cost of capital employed is included in operating costs and calculated at 3.5% of average capital employed.

Management of financial risk

1.17 The WCfH has no borrowings and relies primarily on Welsh Assembly Government grants for its cash requirements. With exception of the cash balance at year end, it also has no material deposits and all material assets and liabilities are denominated in sterling, so it is not exposed to interest rate risk or currency risk.

2 Grant in aid

	2006-07 £'000	2005-06 £'000
Grant-in-aid received from the Welsh Assembly Government	1,320	1,261
Grant-in-aid applied for capital expenditure and disposals	-	(24)
	<u>1,320</u>	<u>1,237</u>

3 Other income

	2006-07 £'000	2005-06 £'000
Welsh Assembly Government	620	368
Nutrition Network Project	57	165
Healthy Living Centres Contract	68	114
Other	110	29
	<u>855</u>	<u>676</u>

4 Staff and members' cost

	2006-07 £'000	2005-06 £'000
Board Members' remuneration	51	51
Salaries		
Permanent & fixed term	734	493
Social Security costs	63	44
Other pension costs	99	65
Staff secondment costs	376	412
Total	1,323	1,065

The emoluments of the Chair of the WCfH were £26,071. The other six Members each received £5,000 or less during the year. Further details of remuneration can be found in the Remuneration Report on pages 21 to 22.

5 Staff numbers

	2006-07 Numbers	2005-06 Numbers
The average numbers of whole-time equivalent persons employed during the year were as follows:		
Permanent	15	9
Fixed Term	9	14
Secondments	6	15
Total	30	38

6 Other operating costs

	2006-07 £'000	2005-06 £'000
Accommodation Costs	48	46
External Audit fee	9	9
Additional Assurance Audit Fee	2	2
Office Expenses	72	80
ICT Costs	47	32
Projects and Events	410	405
Corporate Services Contract	57	75
Staff related Costs (T&S, Training etc)	79	70
Other	32	88
	756	807

7 Tangible fixed assets

	Computer Equipment £'000	Office Furniture & Equipment £'000	Total £'000
Cost or valuation			
At 1 April 2006	4	20	24
Additions	-	-	-
Disposals	-	-	-
At 31 March 2007	4	20	24
Depreciation			
At 1 April 2006	-	-	-
Provided during the year	2	3	5
Eliminated on disposal	-	-	-
At 31 March 2007	2	3	5
Net Book Value			
At 31 March 2007	2	17	19

8 Debtors

	2006-07 £'000	2005-06 £'000
Trade Debtors	208	86
Other Debtors	31	-
Prepayments	24	-
Total	263	86
Included in debtors are amounts due from the Welsh Assembly Government of £163,745		

9 Creditors - Amounts falling due within one year

	2006-07 £'000	2005-06 £'000
Trade Creditors	101	49
Accruals	68	96
Total	169	145
Included in trade creditors and accruals are amounts owed to Welsh Assembly Government of £39,127. There were no other material amounts owed to other public sector bodies.		

10 Provisions for future liabilities

	2006-07 £'000	2005-06 £'000
Agenda for Change	36	22
Maternity Leave	-	18
Total	36	40
<p>Having adopted NHS terms and conditions for its staff, the WCfH is currently going through the national Agenda for Change re-grading framework. Any enhancements arising from this re-grading exercise will be back dated to 1 October 2004. The provision is an estimate of those back dated liabilities.</p>		

11 Movement in government funds

	Government Grant Reserve £'000	General Fund £'000	Total £'000
Net Operating Costs for the year	-	(1,228)	(1,228)
Welsh Assembly Government Grant-in-Aid	-	1,320	1,320
Notional costs of capital adjustment.	-	4	4
Grant applied for capital expenditure and disposals.	-	-	-
Grant released to operating income	(5)	-	(5)
Movement in Government Funds for the year	(5)	96	91
Government Funds at 1 April 2006	24	42	66
Government Funds at 31 March 2007	19	138	157

12 Reconciliation of operating surplus to net cash inflow from operating activities

	31 March 2007 £'000	31 March 2006 £'000
Net Operating Costs for the year	(1,228)	(1,197)
Adjustment for notional charge - cost of capital	4	1
Depreciation	5	-
Interest Surrendered to the Welsh Assembly Government	(6)	(7)
(Increase)/decrease in debtors	(177)	65
Increase/(decrease) in creditors	24	49
Increase/(decrease) in provision for future liabilities	(4)	40
Transfer from Government Grant Reserve	(5)	-
Net cash (outflow)/inflow from operating activities	(1,387)	(1,049)

13 Effects of prior year adjustments on general funds

	2005-06 (Restated) £'000
General Fund	
At 1 April 2005 as originally stated	-
Transfer from Government Grant Reserve	1
	<hr/>
As restated at 1 April 2005	1
Net operating costs for year	(1,197)
Welsh Assembly Government Grant in Aid	1,237
Notional Cost of Capital Adjustment	1
	<hr/>
As restated at 31 March 2006	42
Government Funding	
At 1 April 2005 as originally stated	1
Transfer to General Fund	(1)
	<hr/>
As restated at 1 April 2005	-

All prior year adjustments result from the change in accounting policy referred to in Note 1 to these accounts.

14 Operating lease commitments

The annual cost of the WCfH's accommodation rental lease was £28,584. The WCfH is committed to pay the following operating lease rentals in 2007-08:

	Land & Buildings 2006-07 £'000	Land & Buildings 2005-06 £'000
Expiring;		
Within 1 year	2	2
2-5 years	27	27
	<hr/>	<hr/>
	29	29

15 Special payments and losses

The WCfH did not incur any losses or make any special payments in 2006-07.

16 Related party transactions

The Welsh Assembly Government is the ultimate controlling party. During the year, the WCfH has had various material transactions with the Welsh Assembly Government.

Mr D Hugh Thomas, a WCfH board member, is a council member of Cardiff University and Professor Mansel Aylward, Chair WCfH Board, is a Professor and Director of the Unumprovident Centre for Psychosocial and Disability Research, Cardiff University. During the year WCfH had a number of transactions with the University. The two most significant were payments to the University for the Welsh Health Impact Assessment Unit amounting to £ 46,958, also the University was a member of a partnership of academic institutions that undertook research into wellbeing in work. Payment in respect of this research totalled £80,907 for 2006-07.

Mr Ben Foday, a WCfH board member is also a non-executive director of Velindre NHS Trust. This Trust provided a number of corporate services to the WCfH under a service level agreement. In recognition of these services, WCfH paid the Trust £56,800 (inclusive of VAT) during 2006-07.

Mr Keith Cox, part-time Director of Corporate Services, is on secondment from the Welsh Assembly Government. During the year the WCfH had various material transactions with the Welsh Assembly Government.

None of the WCfH members, key managerial staff or other related parties have undertaken any material transactions with the WCfH during the year.

Appendix 1: WCfH conferences and events 2006-2007

April 2006:

4 April 2006
Health Impact Assessment Training Day
Cardiff University

5-6 April 2006
International Health Impact Assessment Annual Conference: Making the
Difference
Cardiff

May 2006:

23 May 2006
Nutrition Network for Wales National Conference
Wrexham

June 2006:

15 June 2006
Nutrition Network for Wales National Conference
Newport

27 June 2006
Reaching Out: Improving Access to Sexual Health Services for All Conference
Cardiff

July 2006:

11 July 2006
GP Desk Aid/Welsh Backs Focus Group
Wrexham

18 July 2006
GP Desk Aid/Welsh Backs Focus Group
Swansea

20 July 2006
GP Desk Aid/Welsh Backs Focus Group
Cardiff

September 2006:

13 September 2006
Defined Specialist Workshop: Defined Specialist Registration on the UK
Voluntary Register
Cardiff

26 September 2006
Food Standards Agency & Food Poisoning Outbreaks Training (Lead Officer Training)
Llandrindod Wells

27-28 September 2006
Legal and Enforcement Issues Training (Lead Officer Training)
Llandrindod Wells

October 2006:

10 October 2007
'Top up Training Action Learning Sets'
Cardiff

17 October 2006
Historical Perspectives on Health Seminar
Cardiff University

17 and 20 October 2006
Healthy Living Centre Training
Corwen and Cardiff

November 2006:

7 November 2006
'Top up Training Action Learning Sets'
Cardiff

23-24 November 2006
Lead Officer Training Event: Epidemiology and Statistics Training
Llandrindod Wells

28 November 2006
Child Protection and Sexual Health Conference
Wrexham

December 2006:

1 December 2006
Making Advice Matter: Professional Advisory Network Inaugural Conference
Cardiff

4 December 2006
Shaping the Future - One Year On: A Professional Development Opportunity for All Working in Health Promotion in Wales
Cardiff

5 December 2006
Symposium: Buncefield and Beyond
Swansea

5 December 2006
'Top up Training Action Learning Sets'
Cardiff

7-8 December 2006
Five Nations Meeting: Response to Health Ageing Project
Cardiff

12 December 2006
Public Health Career Framework for Wales Workshop
Llandrindod Wells

15 January 2007
Institute of Healthcare Improvement (USA) Visit to Wales Conference
Cardiff

January 2007:

16 January 2007
'Top up Training Action Learning Sets'
Cardiff

30 January 2007
Wellbeing in Work Project Launch
Merthyr Tydfil

February 2007:

13 February 2007
Window of Opportunity Workshop (Defined Registration by Portfolio)
Cardiff

13 February 2007
Top up Training Action Learning Sets
Cardiff

13 February 2007
Budget and Financial Probity Masterclass
Cardiff

15 February 2007
Health, Work & Wellbeing: The Occupational Health Contribution Conference
Swansea

27 February 2007
Closing the Gap: European Health Inequalities Conference

Cardiff

March 2007:

2 March 2007

Public Health Specialist Event (Alumni Launch)

Cardiff

12-13 March 2007

Big Brother Wales Event (Residential Portfolio Development Support Programme)

Cardiff

14 March 2007

Epi-info and related software Training (Lead Officer Training)

Llandrindod Wells

15 March 2007

Green Spaces: A Pathway to Health Conference

Vale of Glamorgan

15 March 2007

Fundamentals of Food Microbiology Training (Lead Officer Training)

Llandrindod Wells

19 March 2007 and 20 March 2007

Public Health Career Framework Workshops (regional follow up workshops)

Swansea and Cardiff

20 March 2007

A Breath of Fresh Air- Towards a Smoke Free Wales Conference

Cardiff

Appendix 2: WCfH publications 2006-07

Closing the Gap: Strategy for Action to Tackle Health Inequalities

Following the European health inequalities conference held in Cardiff on 27 February 2007, this report was produced by the WCfH in order to disseminate learning in order to inform a strategy for Wales. It highlights some of the key learning points and recommendations from the three-year 'Closing the Gap' European project and summarises discussions generated from the conference, which aim to aid strategic and operational planning to reduce health inequalities in Wales and the rest of Europe.

Doing it Differently in Wales

This booklet was produced for the annual UK Public Health Association National Conference and highlights the unique work of the public health community in Wales and the differences compared to the rest of the UK. It was produced in collaboration with the WCfH, Public Health Alliance (PHA) Cymru, National Public Health Service for Wales, Welsh Local Government Association, Wales Council for Voluntary Action and the Welsh Assembly Government.

A Guide on Use of Population Data for Health Intelligence in Wales

Population data are used as the basis to calculate or compare rates, ratios and percentages between groups of people or geographical areas. In collaboration with the NPHS, the WCfH produced a paper examining the importance of population structure and change, and the strengths and weaknesses of different population data.

A Picture of Health in Wales

In collaboration with the NPHS, the WCfH mapped health inequalities against each Local Health Board in order to gain a greater insight into local inequalities of health across Wales. Twenty-two Profiles were produced, detailing the health factors within communities that create the building blocks of health and affect our ability and motivation to make healthy choices.

A Profile of Rural Health in Wales

Rural health is influenced by many determinants such as income, housing, education, access to services and deprivation. In this report, these indicators are compared between rural and urban areas, and health outcome indicators analysed include life expectancy, hospital admissions and mortality.

Public Health Practitioners in Wales: Directory of Training and Education Courses and Programmes in Public Health 2006-07

The WCfH, in partnership with the Welsh Assembly Government, completed a comprehensive scoping study detailing available training and education programmes for public health practitioners in Wales. The 2003-04 directory detailed the work of the original study and this is an updated version for 2006-07. The directory has grown in size and significance as it helps more and more practitioners source, locate and identify suitable training opportunities.