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Third Consolidated Update

ARAC Escalation Update

The NHS Wales Accountability and Support Framework: what it means for the Health Board's escalation arrangements and the risks the Health Board carries

Audit and Risk Assurance Committee | 15 October 2026

Executive Lead: Mr Lee Davies, Executive Director of Strategy and Planning

Reporting Officer: M Shaun Ayres, Director of Delivery

In Effect from 29 September 2026

One NHS Wales framework for accountability, escalation and support

Accountability Review Letter

Welsh Government's assessment of 30 September 2026, ahead of the November 2026 Escalation Board

Reset Support from 1 October 2026

NHS Wales Performance and Improvement, through October 2026 and November 2026

Our Levels are Unchanged for now

Current Levels and criteria continue until the November 2026 outcome is confirmed

What Welsh Government has told us

Following the accountability review on 16 September, Welsh Government wrote on 30 September that, despite previous assurance and the development of plans, we continue to move in the wrong direction across all domains, with concern about the Health Board’s capability and capacity to recover. It recognised a stable Board and executive team and some areas of improvement. It expects clear evidence of impact at the November escalation board; otherwise, further intervention arrangements will be considered. This is consistent with the letter from the Cabinet Secretary for Health and Care to the Chair of the Health Board on 26 August 2026, that is included as **Appendix 1**.

What has changed

On 29 September 2026, the NHS Wales Accountability and Support Framework replaced the Oversight and Escalation Framework. It joins accountability, escalation, support and de-escalation around four Pillars on a leadership (well-led) foundation.

What has not changed yet

Health Board escalation levels and every de-escalation criterion stay in place until Welsh Government confirms the outcome of the first assessment under the new framework, at the tripartite meeting in November.

The support we are receiving

From 1 October 2026, NHS Wales Performance and Improvement (NHSWPI) is working alongside us for two months on urgent care flow and discharge, financial recovery and three quality priorities. Accountability for delivery stays with Health Board Executive Directors and the Board.

What it means for this Committee

Status will normally be set for whole Pillars, and the leadership foundation draws on the governance, risk and audit evidence this committee oversees. Read against the Pillars and the letter, the risk register shows how much we carry beyond the areas under escalation.

The Health Board’s assessment. Architecture and consistency move to Advise: the committee maps may need redrawing to the Pillars, and Welsh Government challenged the Health Board’s description of the annual plan as credible. Totality remains Alert: the letter’s concern about the Health Board’s capacity to recover and the evidence of the risk register point the same way.

The Accountability Review Letter



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Welsh Government's letter of 30 September 2026 follows the accountability review on 16 September 2026. It sets out what it recognised and what it now requires in each area of the new framework. The letter is attached as **Appendix 2**.

Area	What was recognised or noted	Concerns and what is required
Leadership (well-led)	A stable Board and executive team, with some evidence of collective working. Operating model changes: a performance review group chaired by the Chief Executive, a Chief Delivery Officer being appointed and a Senior Leaders Group below the Executive Team.	Stronger oversight, clear expectations and increased accountability, holding individuals and services to account for the changes required.
Delivery and performance	Improvement in parts of the frailty pathway, some cancer tumour sites, periods of some urgent care measures and regional working in ophthalmology.	Urgent care gains have not been sustained, notably at Glangwili and Withybush Hospitals. Planned care waits are rising and rely on temporary measures and external support, and diagnostic waits over eight weeks rise each month. Operational grip and control are required, with urgent care the focus before winter.
Quality	Stronger quality governance, including a position statement and service deep dives for the clinical services plan.	A move from further governance to better outcomes. Low incident reporting alongside high harm, continuing infection outbreaks, cleanliness standards not met, and unclear risk oversight of some services, where a matrix and criteria are being developed.
Workforce	A better understanding of the workforce position, successful recruitment to hard-to-fill posts, and new development programmes for medical staff and Board members.	Evidence of impact, and a workforce plan triangulated with finance and service planning.
Finance and planning	Early development of the clinical services implementation plan, with estimated milestones. A further meeting is arranged to explore it.	The most significant issue. Welsh Government was not assured that we can deliver the £41m deficit: the risk is up to £61m, with a £19.9m savings gap, and the additional £26m could become recoverable if its conditions are not met. A deliverable plan is required, with quantified actions, named executive owners, timescales and the recurrent effect of each action.

The next Escalation Board is in November 2026. Welsh Government expects clear evidence that the Health Board's actions are making an impact, and states that otherwise further intervention arrangements will be considered. It also asked for a timeline, by 30 September, for when it will receive the actions to deliver the year-end forecast.

Five Levels and the response at each



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The numbering is familiar. What changes is the response attached to each Level and the support that comes with it. The Health Board's areas are shown at the level they hold today.

Level	Threshold	Core response	Our areas today
Level 1 Routine accountability	Broadly on plan, with effective governance; variation is managed through normal arrangements.	Routine assurance, common reporting, accountability reviews and earned autonomy.	Leadership and governance, since December 2025 Cancer, since February 2026 Child and adolescent mental health services, since July 2025
Level 2 Emerging concern: enhanced oversight and support	Emerging or sustained risk that routine arrangements are unlikely to resolve, where capacity to recover remains.	Baseline assessment, local improvement plan, enhanced monitoring and preventative support. Decided by Welsh Government officials.	None
Level 3 Significant concern: formal recovery	Significant concern in a Pillar, or Level 2 action has not secured enough improvement.	Formal recovery framework, escalation board, milestones, targeted NHSWPI support and independent review where needed.	Planned care
Level 4 Targeted intervention and support	Serious failure or risk needing commissioned intervention and substantial external capacity or turnaround support.	A formal intervention mandate, normally delivered by NHSWPI's Intensive Support, Recovery and Turnaround (ISRT) team when commissioned by Welsh Government, an integrated improvement plan and close oversight.	Finance, strategy and planning Urgent and emergency care Healthcare associated infections Fragile services, including ophthalmology
Level 5 Directed intervention and intensive support	Very serious or complex failure, where capability is insufficient to recover without intensive external intervention.	Directed intervention, intensive recovery, possible use of Ministerial powers and whole-Board accountability.	None

Level 2 is not used on the way down. A Pillar leaving Level 4 normally moves to Level 3, then to routine accountability, each step on sustained evidence. Three of the Health Board's areas have returned to routine accountability since January 2024.

Our escalation areas by Pillar

The four Pillars already structure the Health Board’s performance reviews with NHSWPI. What is new is that escalation status will follow them, normally set for a whole Pillar rather than for individual services.

Quality	Workforce	Finance and Planning	Delivery and Performance
<i>Safety, effectiveness and experience of care, including oversight of fragile and high-risk services</i>	<i>Supply, retention, wellbeing, productivity, culture and workforce planning</i>	<i>Financial sustainability, planning maturity, the integrated medium-term plan and the clinical services strategy</i>	<i>National access standards and recovery trajectories for urgent, planned, cancer and diagnostic care</i>
OUR AREAS TODAY Level 4 Healthcare associated infections Level 4 Fragile services: oversight and safety	OUR AREAS TODAY Not escalated today. Assessed under the new framework from November 2026.	OUR AREAS TODAY Level 4 Finance, strategy and planning, including the clinical services plan	OUR AREAS TODAY Level 4 Urgent and Emergency Care Level 4 Ophthalmology access, a fragile services criterion Level 3 Planned care Level 1 Cancer Level 1 Child and adolescent mental health

Leadership (well-led) foundation

Level 1

Leadership and governance, since December 2025

Assessed across all four Pillars, including digital, data and cyber resilience

Three of the four Pillars contain an area at Level 4 today. Welsh Government will confirm the Health Board’s status under the new structure after the November 2026 assessment, and the reissued framework will follow it.

What changes in how we are assessed



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Four changes affect how the Health Board's position will be judged.

Change	What it means for us
Status is normally set for a whole Pillar	Planned care (Level 3) and Urgent and Emergency Care (Level 4) are likely to be judged within one Pillar, alongside cancer and mental health access. Improvement in one service is less likely to change the Level on its own based on the reading of the new framework. Service-specific escalation is expected to be limited to Level 2.
Leadership underpins every Pillar	Where several connected areas are under pressure, the escalation decision is more likely to centre on leadership, and where concerns span multiple Pillars, escalation of the whole organisation may be considered. The Health Board's Level 1 position for leadership and governance therefore rests on evidence across all four Pillars.
One version of the truth	A common dataset, reporting pack and evidence repository will serve every accountability, escalation and support discussion, under agreed data standards, governance and audit. The pack includes organisational risks and mitigating actions.
De-escalation rests on the Board's evidence	The Board and Chief Executive must show that outcomes are achieved and sustained, risk has reduced, evidence is reliable, plans are resourced and there is capacity to sustain improvement with less support. Automatic de-escalation remains where quantifiable criteria are met and sustained.

Assessment combines data with judgement, including the quality of Board assurance and the Health Board's capacity to recover. No single metric should normally decide status unless it shows an immediate and material risk.

What changes in support and accountability



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Support is now defined alongside escalation, and the consequences of not improving are stated in advance.

Change	What it means for us
Standard intervention offer at Level 4	If a Pillar is confirmed at Level 4, the framework's standard intervention offer applies, normally delivered by NHSWPI's ISRT team under a mandate commissioned by Welsh Government. It normally works in five phases (mobilise, assess, plan, support and transition). The assessment covers all four Pillars and the leadership foundation, and the plan phase produces one integrated improvement plan that the Health Board owns.
Priorities, criteria and consequences, published	The reissued framework will set a small number of priorities and de-escalation criteria, the period to deliver and sustain them, and the consequences if improvement falls short. Welsh Government publishes it, and the Board monitors it regularly. Separately, the accountability conditions that will follow the Health Board's Annual Plan assessment are linked to the Health Board's escalation Level.
Clearer roles and one rhythm	Welsh Ministers take formal escalation decisions. NHSWPI is the single operational interface and does not decide status. Audit Wales, Healthcare Inspectorate Wales (HIW) and NHSWPI give written evidence to a tripartite meeting twice a year. Every organisation has two accountability reviews a year, one of which may be held in public.
Duties at Level 3 and above	A Senior Responsible Officer (SRO) for each escalated Pillar, Board ownership of recovery, enough resources to achieve the required outcomes, and de-escalation criteria actively monitored and reported to the Board. These largely continue the Health Board's current duties, now organised by Pillar.

The framework reflects several points the Health Board made to the national review in August 2026, including support defined at the same time as escalation, one governed evidence base with documented decisions, and automatic de-escalation once quantifiable criteria are met and sustained.

Organisational reset support: scope and leads



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From 1 October 2026, NHSWPI is working alongside the Health Board through October and November 2026, on terms developed with us from principles agreed in mid-September 2026. Its purpose is rapid recovery against current delivery concerns and the prevention of further escalation.

Pillar	Our lead	NHSWPI lead	Focus for October and November
Oversight of the support	Lee Davies Executive Director of Strategy and Planning	Adele Gittoes Director of ISRT	One triangulated monthly position from the Pillar returns, for the Health Board's Chief Executive and the NHSWPI Managing Director.
Delivery and performance	Andrew Carruthers Chief Operating Officer	Corrina Casey Director of Delivery and Performance	Urgent care: a daily operating model for flow, escalation and de-escalation; reliable discharge from the first board round, seven days a week; clear accountability from ward to executive. A recent NHSWPI desktop review, supported by the Health Board's operational teams, found a credible and strategically aligned urgent care improvement architecture, with consistent execution as the opportunity. Furthermore, Jeremy Griffiths is supporting the Health Board for several weeks from the week commencing 28 September 2026.
Finance	Huw Thomas Director of Finance	Claire Green Director of Finance	Continues the financial recovery work in place since 2023, now aligned more closely with the other Pillars. NHSWPI will also assess VAULT and monthly monitoring return intelligence for variation and opportunity, to test against the Health Board's own list of opportunities.
Quality and patient safety	Mark Henwood Executive Medical Director Sharon Daniel Executive Director of Nursing, Quality and Patient Experience	Dr Antony Gibson Medical Director Hayley Peters Nurse Director	A joint working group on healthcare associated infections (with Public Health Wales), on quality risk from overcrowding in urgent care, and on never events, through a self-assessment against the national and local safety standards for invasive procedures. Leads report back at a quality meeting in mid-November.
Workforce	<i>Not yet named</i>	<i>Not yet named</i>	The terms ask for a director lead for each Pillar and a return from all four. A workforce lead and scope are still to be agreed.

The support is intended to align with and supplement the Health Board's existing plans. For urgent care, it standardises how those plans are carried out rather than adding programmes.

Organisational reset support: governance

The support adds a monthly joint reporting line. It does not move accountability for delivery.



Authority	Status	Review
NHSWPI can advise, challenge, convene and escalate. It holds no executive decision rights over the Health Board's services. Accountability stays with the Health Board Executive Directors, clinical leaders and the Board, as the framework requires throughout escalation.	The support is co-produced with us and does not change the Health Board's escalation framework, de-escalation criteria or agreed trajectories. Pillar leads set their own meeting rhythm, aligned with existing meetings where possible; NHSWPI may add meetings where assurance or support is not being provided.	The terms are reviewed every four weeks. A light-touch review in December, led by NHSWPI with the Health Board's support, will assess the benefits and risks of the approach and inform any future support, reflecting the views of Welsh Government, NHSWPI and the health board.

We will ask the December review to consider the capability the support leaves behind and the capacity it used. For quality, delivery and performance and the leadership foundation, the framework's illustrative Level 4 de-escalation criteria include evidence that external intervention has strengthened capability.

Where assurance sits under the new framework



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The Committee keeps the view of the whole; Lead Committees keep the detail of each Pillar. This map is proposed for the reissued framework, and the current mapping of all 31 criteria continues until then.

Board owns the escalation position, any integrated improvement plan and the choices they require

Audit and Risk Assurance Committee tests the whole system (architecture, consistency, totality) and gives the Board assurance on the leadership foundation

QUALITY

Quality, Safety and Experience Committee

Infections, fragile services oversight, incidents and never events, complaints and experience. The quality strand of the reset support.

WORKFORCE

People, Organisational Development and Culture Committee

Workforce plan and workstreams, variable pay, sickness absence, culture and staff voice.

FINANCE AND PLANNING

Finance and Performance Committee

Financial recovery and savings.

Strategy and Planning Committee

Annual plan, integrated medium-term plan, clinical services plan and regional planning.

DELIVERY AND PERFORMANCE

Finance and Performance Committee

Urgent and Emergency Care, planned care, cancer, diagnostics and mental health access. The urgent care strand of the reset support.

Leadership (well-led) foundation the Board, with assurance from this Committee on governance, risk and audit. Digital, data and cyber evidence comes through the Digital, Data and Innovation Committee; culture and staff voice through the People, Organisational Development and Culture Committee.

Where this Committee finds a gap, it refers it to the Lead Committee in writing and tracks the response, rather than re-examining the issue itself.

The evidence this committee oversees

The framework relies on evidence this Committee already oversees. That makes its role more important without widening its remit.

WHAT THE FRAMEWORK DRAWS ON

The leadership foundation	Board assurance frameworks, risk registers, internal audit, Audit Wales and HIW reports, and governance reviews. The two limited assurance internal audit reports from April 2026, on operational governance and on internal escalation, are part of this evidence.
The tripartite	Written evidence from Audit Wales, given independently and within its own remit, alongside HIW and NHSWPI, twice a year.
Reliable evidence	Effective Board oversight and reliable evidence at every de-escalation and, in the illustrative Level 4 criteria, independent assurance that supports reduced intervention.
Risk	Organisational risks and mitigating actions, carried in the common reporting pack. Failure to mitigate known material risks is among the possible triggers for escalation.

WHAT IT MEANS FOR THIS COMMITTEE

Read the management responses to those reports as escalation evidence and track them accordingly.
Keep progress against audit recommendations current before each tripartite, so that the Health Board's own account reflects the latest position.
Give weight to audit findings on data quality, such as the earlier limited assurance on the validation of emergency department waiting time data and consider internal audit assurance on de-escalation evidence.
Read the register against the Pillars and the Health Board's criteria, so it shows the risks Welsh Government will look for. The next five slides do this.

The framework assesses the quality and credibility of Board assurance and management information. This Committee is where that quality is tested.

The letter and the risk register



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The register reflects the service and financial concerns the letter names. The Health Board-Level concerns it puts first are not yet on it.

Concern named in the letter	How the register reflects it (current score out of 25)	Status
Delivering the £41m deficit	Principal and corporate risks at 25, and 17 extreme operational risks on savings, costs and income	Reflected
Urgent care at Glangwili and Withybush	Two corporate risks at 20, and extreme risks at both sites	Reflected
Planned care reliant on temporary measures	A corporate risk at 12, and 28 extreme operational risks	Reflected
Diagnostic waits over eight weeks	Radiology and ultrasound risks at 16 to 25, two of them corporate	Reflected
A workforce plan triangulated with finance	Principal and corporate workforce risks at 16	Reflected
Unclear risk oversight of some services	A principal risk on embedding the quality management system, at 12	Partly
Low incident reporting alongside high harm	One operational risk on under-reporting, at 12	Partly
Infection outbreaks continuing	Three extreme risks on facilities and stewardship; none on infection rates	Partly
Cleanliness standards not met	One organisation-wide risk at 6, within its tolerance	Partly
Capability and capacity to recover	Considered by this Committee in June 2026; not yet a distinct risk	Not yet
The escalation position and further intervention	Not recorded as a risk	Not yet

What it means for this Committee

- **The register sees the parts.** It carries the service and financial risks the letter names, but not the organisation-Level concerns the letter puts first: the Health Board's capacity to recover and the escalation position itself.
- **Reporting affects the register too.** Low incident reporting alongside high harm suggests the register may also understate risk.
- **Assurance needs evidence behind it.** The letter notes infection outbreaks continuing despite earlier assurance that rates would fall and challenges the Health Board's description of the Annual Plan as credible.

The next four slides read the whole register against the framework.

The letter asks for grip, control and accountability. The read-across that follows suggests grip will hold best when it is applied to a small number of priorities, with decisions recorded on what waits. Therefore, the final two points will now be reflected in Risk 2212 namely, the risk of the Health Board not having an approvable Annual Plan/Integrated Medium Term Plan (IMTP).

Register position at 1 October 2026. Scores are current scores out of 25.

The risk register read against the framework

The 1 October 2026 register holds 674 risks, 218 of them scored 15 or above (extreme). Read against the new framework, every Pillar carries extreme risk, and 119 of the 218 sit outside the areas the Health Board’s current escalation framework covers.

	Area at Level 3 or 4 Area at Level 1 Outside our current framework
Quality 78 extreme risks 6 principal or corporate	28 50 Level 4: fragile services 25, infections 3 Outside: pathology, transfusion and mortuary 16; other clinical services 11; nutrition and therapy services 11; medicines 7; community and palliative care 5
Workforce 10 extreme risks 4 principal or corporate	10 No area escalated today Outside: workforce supply, wellbeing and staff safety 10
Finance and planning 51 extreme risks 10 principal or corporate	22 29 Level 4: finance 19, strategy and planning 3 Outside: estate, infrastructure and site safety 28; climate adaptation 1
Delivery and performance 70 extreme risks 4 principal or corporate	41 8 21 Level 4: urgent and emergency care 13. Level 3: planned care 28. Level 1: cancer 8 Outside: therapy and nutrition access 7; primary and community care 6; mental health and learning disabilities 4; public health 2; other 2
Leadership foundation 9 extreme risks 1 principal or corporate	9 Level 1: leadership and governance, no extreme risks Outside: digital systems, data and information governance 9

What the read-across shows

• Every Pillar carries extreme risk, including workforce, where no area is escalated today. However, they naturally align to the current risk profiles.

• Within the escalated areas, most sits in planned care, including diagnostics and therapies (28), and fragile services (25). Infections, at Level 4, carries three.

• Outside them, the largest groups are estate and site safety (28), therapy and nutrition services (18) and pathology (16).

• 25 of the 218 are principal or corporate risks. The rest are operational and reach the Board through its committees.

91

at Level 3 or 4

8

at Level 1

119

outside

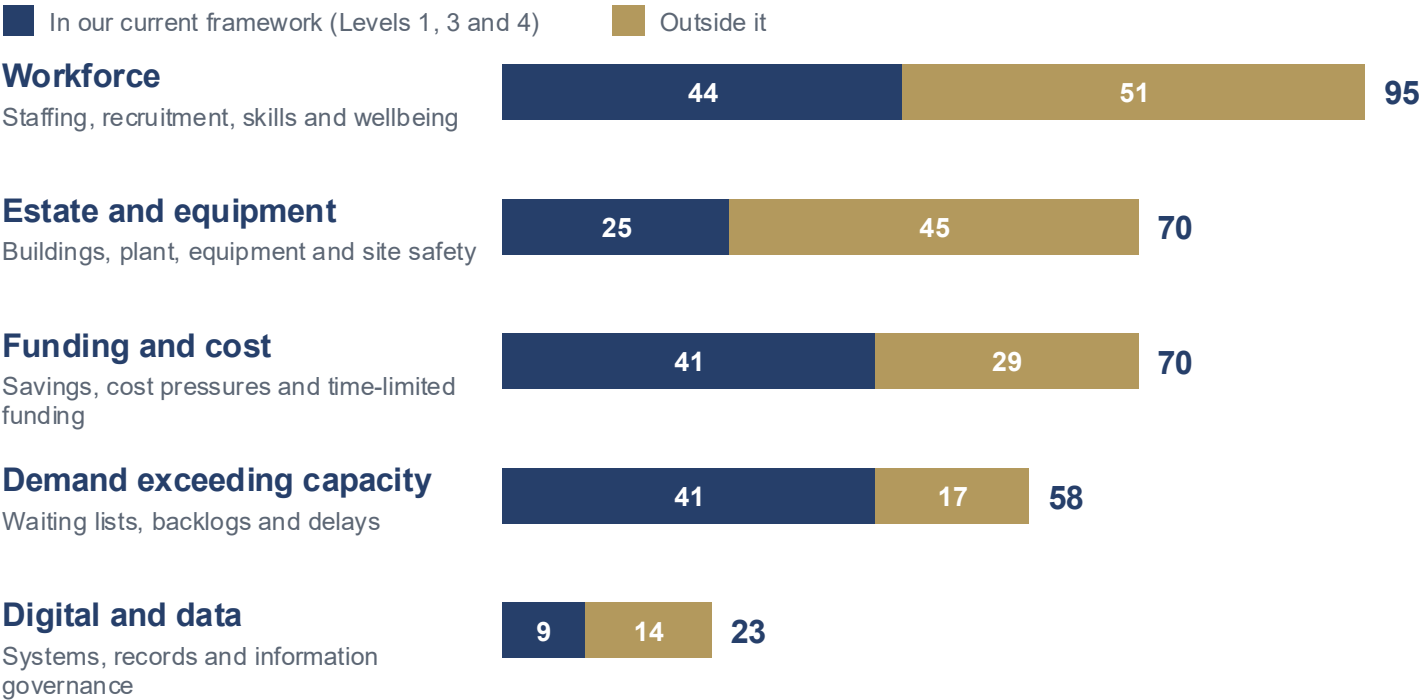
Under the new framework, status is normally set for the whole Pillar, and the common reporting pack includes organisational risks. Risks outside today's criteria are therefore likely to form part of how each Pillar is judged. However, we need to be clear that this will not be linear and risks are naturally interoperable, so workforce is liable to be reflected in most of the key risks where applicable.

Indicative reading of the 1 October register, to show the whole; individual risks remain with their lead committees. Each extreme risk is counted once, in the area it most directly concerns. Pillars follow the framework's own scope, which places estates in finance and planning and digital in the leadership foundation.

13

Common themes across the register

Five themes recur across the extreme risks, on both sides of the line the current framework draws. 178 of the 218 carry at least one of the four enabling themes: workforce, estate and equipment, funding, and digital and data.



Number of extreme risks carrying each theme. A risk can carry more than one.

None of these themes is new to lead committees. What the register adds is their combined scale, and the fact that the same enablers sit on both sides of the line. The new framework's quality Pillar covers fragile and high-risk services generally, not only those named in an escalation framework.

Themes are read from the register's own theme tags and from risk titles..

FRAGILITY BEYOND THE NINE NAMED SERVICES

75 of 100

extreme risks the register tags as fragile services relate to services beyond the nine named in the Health Board's current framework, among them UEC, pathology and transfusion, nutrition and dietetics, therapies, cardiac diagnostics, primary care and mental health. 44 sit outside the Health Board's current framework altogether.

SHARED ENABLERS

Improvement in the escalated areas depends on the same workforce, estate and funding as the risks outside them. Action on one draws on the capacity available for the other.

Capacity, pace and persistence

The register also shows where extreme risk is concentrated, how long it persists and how quickly actions are completed. Read together, these are indicators of capacity, the concern the 30 September letter also raises.

179 of 218

Held in four directorates

Allied health professions and health sciences, community and integrated medicine, planned and specialist care, and estates and facilities hold 82 of the 91 extreme risks in the escalated areas and 91 of the 119 outside the Health Board’s current framework. This reflects where services are delivered, and it means the same teams carry both.



98

Identified more than two years ago

34 of these were identified more than five years ago. The median extreme risk was first identified about 21 months ago, with little difference between the escalated areas and the rest.



54%

Open actions past their original date

301 of the 557 open actions on extreme risks are past their original completion date. In the escalated areas the figure is 55%, and across the whole register 727 of 1,332. 14 extreme risks have no open action recorded.



None

Extreme risks recorded as tolerated

194 are recorded for treatment and 24 have no decision recorded. 211 have a target below the extreme range, 133 of them at a moderate or low score, so the register assumes almost every extreme risk will be reduced.



Taken together, the evidence suggests that the combined programme is larger than the capacity available to progress all of it at once. Some sequencing is already happening, through actions that run beyond their original dates. Making it a deliberate Board decision would give the criteria, the reset support and the register one order of priority.

Ages run from the date each risk was identified to 1 October 2026. Actions are those recorded against the register on the same date.

Aligning risk and priority



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Risk and priority will not always line up, and they do not need to. What matters is that the difference is managed by decision rather than by default.

Priorities the register does not yet reflect

- Infections, at Level 4: three extreme risks, all operational, on isolation facilities, the Glangwili Hospital environment and antimicrobial stewardship. None track the infection rates in the Health Board's criteria.
- The escalation position itself, and the move to the new framework.
- The Health Board's capacity to deliver the combined requirement, considered by the committee in June and raised in the 30 September 2026 letter.

Extreme risk outside our current framework

- 119 extreme risks, the largest groups in estate and site safety (28), therapy and nutrition services (18) and pathology (16).
- 85 of them are led by the Quality, Safety and Experience Committee, which also leads 69 in the escalated areas.
- The framework lists failure to mitigate known material risks among the possible triggers for escalation.

Performance and risk on separate routes

- Performance against the urgent and planned care criteria reports to the Finance and Performance Committee.
- The 41 extreme risks in those two areas are led by the Quality, Safety and Experience Committee.
- A committee map drawn to the Pillars can bring the two together.

How we propose to manage it

One order of priority

Set by the Board across the de-escalation criteria, the reset support and the extreme risks, and applied through the Performance Recovery Group, which brings financial and operational delivery together.

Deferral as a decision

Where treatment has to wait, record a decision to tolerate for a stated period, with interim controls, a review date and approval in line with the Board's risk appetite, rather than a moved action date.

Capacity as a corporate risk

Add the Health Board's capacity to deliver the combined requirement to the corporate risk register, alongside the existing risk on staff wellness and the pace of change, scored with this evidence and reviewed by the Board.

Risk read by Pillar

Link each principal, corporate and extreme risk to a Pillar and its lead committee, so that performance and risk are reviewed together and feed the common reporting pack.

The reissued framework will set a small number of priority areas. A register aligned to them, with explicit decisions on what waits, is the kind of evidence the framework assesses: early recognition of risk, credible and resourced plans, and headroom to recover.

Assessment against the committee's three tests



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Architecture and consistency move to Advise. Totality remains Alert.

Architecture

Is every requirement owned, with no gaps?

June: Advise · August: Assure
(proposed)

October: Advise (proposed)

In August we noted that a new framework could change this rating. The map of 31 criteria remains sound until the November outcome is confirmed, but it does not yet cover the workforce Pillar or the leadership foundation as a whole. The joint reports from the reset support have no agreed route to committees, the risk register does not show the escalation position, and the operating model changes recorded in the 30 September letter need a place in the map.

Returns to Assure when

the committee map is redrawn to the Pillars with the reissued framework, and the evidence in each joint highlight report reaches the lead committee for its Pillar.

Consistency

Is one account told internally and to Welsh Government?

June: Assure · August: Assure

October: Advise (proposed)

The Health Board's figures match Welsh Government's: a risk of up to £61m against the £41.0m plan, which Month 5 reporting shows as a £60.9m forecast before £19.9m of further action. But the 30 September letter challenges the Health Board's description of the Annual Plan as credible, and records that the scale and timing of the decisions coming to the Board were not clear. Savings are also reported on different bases (£33.6m identified to NHSWPI; £30.5m in Month 5 reporting).

Returns to Assure when

the Board and Welsh Government receive the same account of the decisions needed to deliver the £41m, with their scale and timing, and the Health Board's description of the plan reflects Welsh Government's assessment of it.

Totality

Is the combined programme deliverable within our capacity?

June: Alert · August: Alert

October: Alert

The 30 September letter records concern about the Health Board's capability and capacity to recover and asks us to move from plans to demonstrable improvement. The register points the same way: 218 extreme risks, 119 outside the areas the Health Board's current framework covers, drawing on the same workforce, estate and funding, with more than half of their open actions past their original dates. The reset support is a step towards the order of effort the committee sought in August.

Improves when

the Board sets one order of priority across the criteria, the reset support and the extreme risks, and records what waits as a decision.

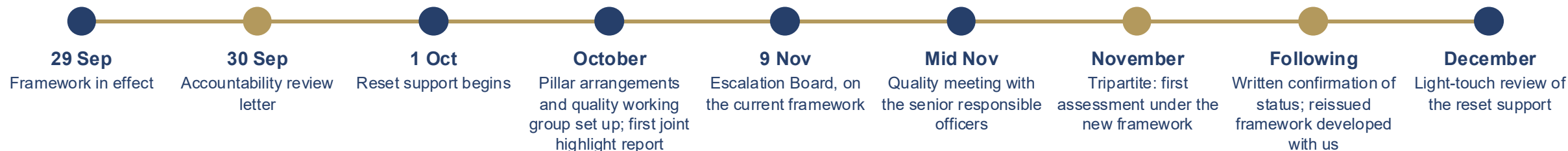
The next ten weeks



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The support period and the first assessment under the new framework run side by side. The November escalation board is where Welsh Government expects to see evidence of impact.



What we will bring to the December meeting

Item	Lead
The confirmed escalation status by Pillar and what it changes for us, if Welsh Government has confirmed it by then	Executive Director of Strategy and Planning
The outcome of the November Escalation Board, with a check that the evidence we submitted matches what the Health Board's Committees and the Board have seen	Executive Director of Strategy and Planning, with the Director of Delivery
A committee map redrawn to the four Pillars and the leadership foundation	Director of Delivery, with the Director of Corporate Governance
The December review of the reset support, with emerging findings if it is still under way: capability built, capacity used and any future support	Executive Director of Strategy and Planning
The risk register read by Pillar, with the corporate risk position on escalation, organisational capacity and infections	Director of Corporate Governance, with lead executives
A proposed order of priority across the criteria, the reset support and the extreme risks, for the Board	Executive Director of Strategy and Planning, with the Director of Delivery
A Board development session on the framework, taking up Welsh Government's offer	Director of Corporate Governance

Timings after the tripartite depend on Welsh Government confirming the outcome. We will report the position reached at the time of the December meeting.

Matters for the committee



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The committee is asked to:

NOTE

the NHS Wales Accountability and Support Framework, in effect from 29 September 2026, and Welsh Government's letter of 30 September following the accountability review, which expects clear evidence of impact at the November escalation board. The Health Board's current escalation Levels and criteria continue until the November outcome is confirmed.

TAKE ASSURANCE

that the terms of the NHSWPI organisational reset support leave decision rights, and accountability for delivery, with Health Board Executives, clinical leaders and the Board.

AGREE

that the committee's three tests continue under the new framework, with architecture and consistency proposed at Advise and totality at Alert; that the committee gives the Board assurance on the leadership (well-led) foundation; and that a committee map redrawn to the Pillars, with the risk register read against it, comes to the December meeting.

SUPPORT

the proposed approach to aligning risk and priority: one order of priority set by the Board, deferral recorded as a decision, capacity added as a corporate risk, and the register read by Pillar.

ADVISE

the Board that the new framework changes the basis of assessment before it changes the organisation's status, and that the 30 September 2026 letter and the risk register point the same way: the combined requirement is larger than the areas under escalation, so deliverability of the whole remains a material concern. The Board may also wish to take up Welsh Government's offer of a development session.



Neil Wooding
Chair
Hywel Dda University Health Board
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Neil.Wooding@wales.nhs.uk

26 August 2026

Dear Neil

Thank you for submitting your health board's annual plan for 2026/27, which I note has been approved by your Board.

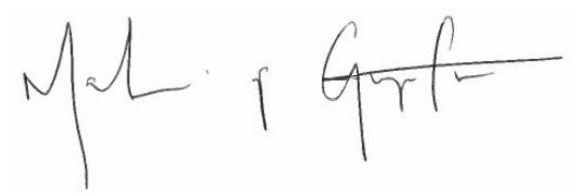
However, I note that your Board has been unable to submit an integrated medium-term plan (IMTP) for 2026-29 in accordance with the NHS Wales Planning Framework. Therefore, your organisation has failed to meet its statutory duty to submit an IMTP and to have an IMTP approved by the Welsh Ministers in line with section 175(2A) of the National Health Service (Wales) Act 2006. Your Board should be clear that this is a breach of its statutory duties.

Your annual plan has been assessed and I know officials are in communication with your executive team to receive assurance on key areas of the plan. As such your organisation will be subject to a series of stringent accountability conditions. These will be agreed by Jacqueline Totterdell, Chief Executive of NHS Wales. Your accountability conditions will be linked to the escalation level that the health board finds itself in.

Officials will write to your Chief Executive setting out the accountability conditions, expectations and monitoring arrangements for the health board. You will also be aware that there are discussions ongoing to significantly improve the health board's position.

I will be interested to discuss progress at our regular Chair discussions.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Mabon ap Gwynfor'. The signature is fluid and cursive, with a long horizontal stroke at the end.

Mabon ap Gwynfor AS/MS

Gweinidog Cabinet dros Iechyd a Gofal
Cabinet Minister for Health and Care

**Cyfarwyddwr Cyffredinol Grŵp Iechyd, Gofal ac Atal / Prif
Weithredwr GIG Cymru**

**Director General Health, Health, Care and Prevention Group /
NHS Wales Chief Executive**



**Llywodraeth Cymru
Welsh Government**

Phil Kloer
Chief Executive
Hywel Dda University Health Board

Phil.kloer@wales.nhs.uk

Our Ref: JT/PK/SB

30 September 2026

Dear Phil,

Thank you for attending the Hywel Dda University Health Board accountability meeting on 16 September 2026 and the evidence submitted in advance. This letter sets out the key points of our discussion and the actions now required.

The health board recognised the scale of the challenges it's facing and acknowledged that delivery is not currently meeting expectations. You outlined work currently underway, and the immediate actions you are taking to address the concerns identified. However, despite previous assurance and the development of plans and strategies, the health board continues to move in the wrong direction across all domains with in-year deteriorations reported and concerns around the capability and capacity of the organisation to rapidly recover the position given the scale of the financial challenges as well.

Leadership (well-led)

The health board has a stable Board and executive team, with some evidence of the executive team working collectively to address the challenges the organisation faces. You shared the actions implemented throughout the health board to address leadership capability and oversight.

In particular:

- The operating model is being revised to increase grip and control, including the creation of a performance review group chaired by you.
- You are in the process of appointing a Chief Delivery Officer to strengthen executive accountability.
- A Senior Leaders Group has been implemented below the executive team to improve the connection between executive decisions and operational delivery.

Although you were able to evidence a range of actions currently underway in-year to address the challenges with leadership changes across the organisation, you must also

now strengthen the executive team's leadership approach through stronger oversight, clear expectations and increased accountability by holding individuals and services to account to deliver the changes and improvements required.

Delivery and performance

The health board evidenced some areas where delivery of services and performance has improved in-year, such as the frailty pathway in parts of the health board, cancer tumour sites, periods of some UEC metrics and regional working in ophthalmology. However, the overall performance position and sustainability of services remains an area of significant concern.

In particular:

- Improvements in urgent and emergency care performance have not been maintained , with particular challenges at Glangwili and Withybush.
- Planned care waiting times are moving in the wrong direction and remain reliant on temporary measures and external support.
- Diagnostic waits over eight weeks are too high and increasing every month which will have an impact on other services such as planned care and cancer.

The actions you are currently undertaking must improve operational grip and control of services, with a particular focus on addressing the urgent and emergency care position at the health board ahead of further winter pressures.

Quality

While elements of quality governance have been strengthened, including the development of a position statement and deep dives of services undertaken as part of the clinical services plan development. The health board must now move from implementing further governance arrangements and actions to delivery of improved outcomes to address the prominent quality and safety concerns identified.

In particular:

- Despite relatively low levels of incident reporting, there are concerns that levels of harm are high, therefore indicating a culture of inconsistent or lack of reporting.
- Infection, prevention and control outbreaks continue to be reported, despite being an area of focus and previous assurance provided that rates would reduce.
- Quality and safety risk management and oversight of specific services remain unclear, with a matrix and criteria being developed to increase oversight.

The discussion highlighted that although the health board has an understanding of the issues, overall, there remain consistent challenges which have not been addressed, such as healthcare associated infections and the failure to meet the required cleanliness standards.

Workforce

The health board evidenced an improved understanding of the overall in-year workforce position compared to previous meetings, with progress demonstrated around recruitment arrangements and changes to organisational development and management programmes.

In particular:

- Successful recruitment campaigns have been delivered for hard-to-fill posts.
- Implementation of new development programmes for medical staff and Board members.

- The executive team, senior leader's group, wider system leaders, trade union representatives and monthly all-staff meetings are being used to communicate expectations and strengthen accountability throughout the organisation.
- Leadership programmes have been reviewed and are being revised to place greater emphasis on personal accountability and responsibility.
- Digital solutions are being considered as part of future workforce planning.

As the health board moves forward with this work, it is important that you are able to evidence the impact of changes, as well as the alignment of a clear workforce plan that demonstrates effective triangulation between workforce, finance and future service planning arrangements.

Finance and planning

The health board was able to evidence some progress in-year planning achievements through the early development of the clinical services implementation plan and estimated milestones for delivery. A meeting has been arranged to explore the implementation plan and expected benefits in more detail.

On finance, the financial recovery of the health board, both delivering the current forecast and agreeing a clear recovery plan to balance, remains the most significant organisational issue with the greatest delivery challenge.

We challenged the assertion that the health board had submitted a credible annual plan, with consistent feedback that the annual plan was not supportable or acceptable, and a clear expectation of a route-map to financial balance that the health board should now be delivering.

In response to your diagnosis of the challenge to delivering the plan, you acknowledged that insufficient detailed planning and action work was undertaken during the initial planning process, with a relaxation of grip and increased autonomy to divisions which did not deliver the expected response. You described opportunities are only now being accelerated for in-year delivery, with strengthened delivery mechanisms, but there was no confidence demonstrated that this would improve the position before year end.

In particular:

- The actions to deliver a forecast £41m deficit are yet to be confirmed, despite previous requests from Welsh Government to finalise the position, with the current risk being a deficit of up to £61m.
- The current savings gap is £19.9m, which required rapid action to close the gap.
- There was lack of confidence that services will make the required cost savings, and as an executive team you must take responsibility for the required actions with strengthened delivery arrangements.
- A paper was to be shared with the Board, but you were not clear in the scale of the decisions being considered by the Board or when Welsh Government would receive a confirmation of the actions to deliver the end of year forecast.

It was disappointing that as a Board and team you were unable to provide any assurance that you have sufficient confidence or capability to deliver the £41m deficit in-year. The risk to the organisation is significant, as if the conditions attached to the additional £26m funding provided previously are not met, that funding may become recoverable, worsening the financial deficit further. The health board must now share a clear and deliverable plan to

deliver the £41m deficit, with quantified actions, named executive ownership, timescales for delivery, and a clear assessment of the recurrent impact of each action.

Required actions

Ahead of the next escalation board meeting:

- Health board to provide Welsh Government Director of Finance with a timeline to confirm when Welsh Government will receive clarity on the actions to deliver the forecast position by 30 September.

Conclusion

The health board has made little progress across the domains towards achieving de-escalation, with concerns that the organisation is now moving in the wrong direction and may not be able to recover without increased intervention arrangements. The next escalation board meeting is scheduled for November 2026, and the health board must provide clear evidence that the actions and plans put in place are making an impact, delivering improvements and better outcomes.

In summary, the current position of the health board across performance and delivery, quality and safety, and finance are unsustainable. Despite some evidence displayed at the meeting of a motivated executive team who work collectively, you must now move away from development of plans and actions and deliver demonstratable improvements in-year and mitigate the risk of further deterioration next year. To achieve this, you must strengthen your grip and control on the organisation and set clear expectations to both the executive team, and wider organisation or further intervention arrangements will have to be considered.

Yours sincerely



Jacqueline Totterdell

cc: Neil Wooding, Chair – Hywel Dda University Health Board

In attendance

Welsh Government: Jacqueline Totterdell (Chair), Jeremy Griffith, Hywel Jones, Samia Edmonds, Isabel Oliver, Helen Arthur, Rhianon Frere

Hywel Dda University Health Board: Phil Kloer, Lisa Gostling, Andrew Carruthers, Lee Davies, Sharon Daniels, James Severs, Ardiana Gjini, Huw Thomas

NHS Wales Performance and Improvement: Chris Clayton