Date	**24/06/2025**
Time	**09:30 - 13:00**
Location	**Microsoft Teams Meeting/ Ystwyth Boardroom; Ystwyth Board Room Avocor (Hywel Dda UHB - Generic Account)**

Audit & Risk Assurance Committee Meeting (incl Review of Final Annual Report and Accounts)

HDD_Audit and Risk Committee

NHS Wales

Agenda - 24 June 2025

1 1 Introductions

09:30, 0 min

1.1 Apologies

09:30, 0 min
Rhodri Evans (Hywel Dda UHB - Independent Member)

1.2 Declaration of Interests

09:30, 0 min

2 Governance

09:30, 0 min

2.1 Minutes of the Meetings held on 15 April and 8 May 2025

09:30, 0 min
Rhodri Evans (Hywel Dda UHB - Independent Member)

2.2 Table of Actions

09:30, 0 min
Rhodri Evans (Hywel Dda UHB - Independent Member)

2.3 Matters Arising not on Agenda

09:30, 0 min
Rhodri Evans (Hywel Dda UHB - Independent Member)

2.4 Escalation Status Update Report

09:30, 15 min
Philip Kloer (Hywel Dda UHB - Chief Executive), Lee Davies (Hywel Dda UHB - Executive Director of Strategy and Planning), Shaun Ayres (Hywel Dda UHB - Director of Delivery)

2.5 Committee Self-Assessment

09:45, 0 min

2.6 Annual Review of Committee Terms of Reference

09:45, 5 min
Joanne Wilson (Hywel Dda UHB - Director of Corporate Governance/Board Secretary)

2.7 Standing Financial Instructions

09:50, 5 min
Joanne Wilson (Hywel Dda UHB - Director of Corporate Governance/Board Secretary)

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3 Audit Wales

09:55, 0 min

3.1 Audit Wales Update Report

09:55, 5 min
Anne Beegan, Urvisha Perez

3.2 Review of Urgent and Emergency Care

10:00, 15 min
Anne Beegan, Urvisha Perez, Andrew Carruthers (Hywel Dda UHB - Chief Operating Officer), Gareth Cottrell (Hywel Dda UHB - Deputy Chief Operating Officer), Peter Skitt (Hywel Dda UHB - Clinical Care Group Service Director - Community & Integrated Medicine), Thomas Alexander (Hywel Dda UHB - Principal Programme Manager)

3.3 Planned Care Review

10:15, 15 min
Anne Beegan, Urvisha Perez, Andrew Carruthers (Hywel Dda UHB - Chief Operating Officer), Keith Jones (Hywel Dda UHB - Director of Operational Planning & Performance), Stephanie Hire (Hywel Dda UHB - Programme Lead - Transformation Planned Care), Lisa Humphrey (Hywel Dda UHB - General Manager, Women & Children), Paula Goode (Hywel Dda UHB - Service Director for Planned and Specialist Care)

3.4 Review of Capital Investment Prioritisation

10:30, 15 min
Anne Beegan, Urvisha Perez, Lee Davies (Hywel Dda UHB - Executive Director of Strategy and Planning), Paul Williams (Hywel Dda UHB - Assistant Director Of Strategic Planning), Eldeg Rosser (Head of Capital Planning)

3.5 Cost Savings Arrangements Checklist

10:45, 5 min
Anne Beegan, Urvisha Perez

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4 BREAK

10:50, 10 min

5 NWSSP – Audit and Assurance Services - Internal Audit

11:00, 0 min

5.1 Internal Audit Plan Progress Report

11:00, 5 min
James Johns (NWSSP - Internal Audit)

5.2 Head of Internal Audit Opinion & Annual Report 2024/25

11:05, 10 min
James Johns (NWSSP - Internal Audit)

5.3 Discharge Management Follow-up (Advisory Report)

11:15, 10 min
James Johns (NWSSP - Internal Audit), Andrew Carruthers (Hywel Dda UHB - Chief Operating Officer), Peter Skitt (Hywel Dda UHB - Clinical Care Group Service Director - Community & Integrated Medicine), Anna Chiffi (Hywel Dda UHB - Assistant Director of Nursing, Patient Safety, Quality)

5.4 Standards of Cleanliness (Limited Assurance)

11:25, 20 min
James Johns (NWSSP - Internal Audit), Andrew Carruthers (Hywel Dda UHB - Chief Operating Officer), James Severs (Hywel Dda UHB - Executive Director of Allied Health Professions and Health Science), Simon Chiffi (Hywel Dda UHB - Head of Operations), Elin Brock (Hywel Dda UHB - Head of Research, Innovation & Improvement)

5.5 Reinforced Autoclaved Aerated Concrete (RAAC) – Withybush General Hospital (Reasonable Assurance)

11:45, 5 min
James Johns (NWSSP - Internal Audit), Andrew Carruthers (Hywel Dda UHB - Chief Operating Officer), James Severs (Hywel Dda UHB - Executive Director of Allied Health Professions and Health Science), Julian Wheeler Jones (Hywel Dda UHB - Discretionary Capital Projects Manager)

5.6 Continuing Health Care – Database Maintenance and Finance Processes (Substantial Assurance)

11:50, 5 min
James Johns (NWSSP - Internal Audit), Huw Thomas (Hywel Dda UHB - Director of Finance)

5.7 Contract Management (Advisory Report)

11:55, 10 min
James Johns (NWSSP - Internal Audit), Huw Thomas (Hywel Dda UHB - Director of Finance)

5.8 **Follow Up Review (Reasonable Assurance)**

12:05, 5 min
James Johns (NWSSP - Internal Audit), Joanne Wilson (Hywel Dda UHB - Director of Corporate Governance/Board Secretary), Charlotte Wilmshurst (Hywel Dda Health Board - Assistant Director of Assurance and Risk)

5.9 **Primary Care Strategy including Managed Practices**

12:10, 0 min

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6 **Financial Focus**

12:10, 0 min

6.1 **Financial Assurance Report**

12:10, 5 min
Huw Thomas (Hywel Dda UHB - Director of Finance)

6.2 **Counter Fraud Update**

12:15, 5 min
Benjamin Rees (Hywel Dda UHB - Local Counter Fraud Specialist)

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7 **Assurance and Risk**

12:20, 0 min

7.1 **Audit Tracker**

12:20, 5 min
Joanne Wilson (Hywel Dda UHB - Director of Corporate Governance/Board Secretary)

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8 **Year-end Governance**

12:25, 0 min

8.1 **Audit Wales ISA 260 and Letter of Representation**

12:25, 10 min
Huw Thomas (Hywel Dda UHB - Director of Finance)

8.2 **Final Accounts for 2024/25**

12:35, 10 min
Huw Thomas (Hywel Dda UHB - Director of Finance)

8.3 **HDdUHB Annual Report 2024/25**

12:45, 15 min
Philip Kloer (Hywel Dda UHB - Chief Executive)

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9 **Post Payment Verification**

13:00, 0 min

9.1 **Post Payment Verification (PPV) Annual Report**

13:00, 0 min

9.2 **Primary Care PPV Report**

13:00, 0 min

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10 **For Information**

13:00, 0 min

10.1 **ARAC Workplan 2025/26**

13:00, 0 min

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11 **Any Other Business**

13:00, 0 min

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12 **Review of Meeting**

13:00, 0 min

12.1 **Matters and Risks for Escalation to the Board**

13:00, 0 min

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13 **Date and Time of Next Meeting**

13:00, 0 min

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09:30, 0 Mins

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1 - 1 Introductions

1.1

09:30, 0 Mins

1.1 - Apologies

Rhodri Evans (Hywel Dda UHB - Independent Member)

For information

1.2 **09:30, 0 Mins**

1.2 - Declaration of Interests

All

For information

2

09:30, 0 Mins

2 - Governance

2.1

09:30, 0 Mins

2.1 - Minutes of the Meetings held on 15 April and 8 May 2025

Rhodri Evans (Hywel Dda UHB - Independent Member)

For approval

Attachments

2.1 Unapproved ARAC Minutes 15 April 2025.pdf

2.1 Unapproved ARAC Minutes 8 May 2025.pdf

COFNODION Y CYFARFOD PWYLLGOR ARCHWILIO A SICRWYDD RISG HEB EU CYMERADWYO / UNAPPROVED MINUTES OF THE AUDIT AND RISK ASSURANCE COMMITTEE MEETING

Date of Meeting:	09:30, Tuesday 15 April 2025
Venue:	Board Room, Ystwyth Building, St David's Park, Carmarthen and via Microsoft Teams

Present:	Cllr. Rhodri Evans, Independent Member (Committee Chair) Mr Maynard Davies, Independent Member Mrs Eleanor Marks, Vice-Chair, HDdUHB
In Attendance:	Ms Urvisha Perez, Audit Wales (VC) Mr David Williams, Audit Wales (VC) Mr James Johns, Head of Internal Audit, NWSSP (VC) Ms Sophie Corbett, Deputy Head of Internal Audit, NWSSP (VC) Mr Gareth Heaven, Audit Manager, NWSSP (VC) Mrs Joanne Wilson, Director of Corporate Governance/Board Secretary Miss Charlotte Wilmshurst, Assistant Director of Assurance and Risk Mr Huw Thomas, Director of Finance (part) Mr Ben Rees, Head of Counter Fraud (part) Mr Shaun Ayres, Director of Delivery (VC) (part) Mr Andrew Carruthers, Chief Operating Officer (part) Mr Keith Jones, Director of Operational Planning and Performance (VC) (part) Ms Sharon Daniel, Director of Nursing, Quality and Patient Experience (part) Ms Mandy Davies, Assistant Director of Nursing and Quality Improvement (part) Mr Ian Bebb, Clinical Audit Manager (part) Ms Cathie Steele, Interim Assistant Director of Nursing (part) Mr Mark Henwood, Interim Medical Director (part) Ms Carly Hill, Assistant Director, Medical Directorate (part) Ms Rachel Williams, Head of Assurance and Risk (VC) (observing) Ms Clare Moorcroft, Committee Services Officer (minutes)

Minutes Ref.	Item	Action
AC(25)34	**Introductions and Apologies for Absence** Cllr. Rhodri Evans, Audit and Risk Assurance Committee (ARAC) Chair, welcomed everyone to the meeting. Apologies for absence were received from: • Mr Winston Weir, Independent Member (Committee Vice-Chair) • Professor Phil Kloer, Chief Executive • Mr Lee Davies, Executive Director of Strategy and Planning • Ms Louise O'Connor, Assistant Director, Legal and Patient Support	
AC(25)35	**Declaration of Interests** No declarations of interest were made.	

AC(25)36 **Minutes of the Meeting held on 11 February 2025**

Decision: RESOLVED – the Minutes from the meeting held on 11 February 2025 were approved as an accurate record.

Cllr. Evans thanked Mr Michael Imperato for his contribution to the Committee during his tenure as a Member.

AC(25)37 **Table of Actions**

An update was provided on the Table of Actions from the meeting held on 11 February 2025 and confirmation received that outstanding actions had been progressed. In terms of matters arising:

AC(25)04 – to be raised with Mr Andrew Carruthers when he joins the meeting.

AC(25)38 **Matters Arising not on Agenda**

There were no other matters arising.

AC(25)39 **Escalation Status Update Report**

Mr Shaun Ayres joined the Committee meeting.

Mrs Joanne Wilson advised that a letter from Welsh Government had been received following agenda publication, and had been added to the supporting documentation for this item. Mr Shaun Ayres presented the Escalation Status Update Report, highlighting the following:

- Transition to the new operational structure involves some trepidation; however, momentum must be maintained
- The letter from Welsh Government regarding the Health Board's escalation status indicates the progress made, which should be recognised and acknowledged
- Key areas for focus, however, remain – including Urgent and Emergency Care, Cancer services (sustained performance) and Diagnostics
- The Maturity Matrix will be crucial in determining how collective engagement is undertaken. It involves seven steps and will be a more inclusive process. The new operational structure should lend itself well to reviewing this
- The organisation needs to consider priorities for the upcoming year, reflecting on capability and capacity. Consequences of decisions need to be considered. The correspondence from Welsh Government outlines their priorities, including finances
- A new Escalation Framework is to be issued, with 53 rather than 56 criteria. Whilst the reduction may not seem significant, it is more streamlined than the current framework

Mr Huw Thomas joined the Committee meeting.

Mrs Wilson wished to formally thank Mr Ayres for his work, which has contributed significantly to the Health Board's de-escalation and all of those who had worked exceptionally hard to support de-

escalation in three areas. Members heard that Welsh Government staff have acknowledged Mr Ayres' input as extremely helpful. Cllr. Evans echoed this sentiment on behalf of the Committee.

Welcoming the clear report, Mr Maynard Davies referenced the slide 'ARAC's Visibility across Targeted Intervention'. He noted the focus on 'Alert' criteria and suggested that it might be useful to add to this any deteriorating measures. Mr Ayres agreed that this would be a sensible approach. He recognised the valuable role of the Performance Dashboard in identifying such measures and any potential mitigations. He wished to thank both the Performance team and the Corporate Governance team, for their support. **SA**

Cllr. Evans reiterated the need to maintain momentum around delivery of savings and to maintain clarity of focus. Mrs Eleanor Marks also thanked Mr Ayres for his work. Recognising that this is the first ARAC meeting of the new financial year, Mrs Marks emphasised that the letter from Welsh Government, whilst containing some positives, also sets out a number of significant challenges. She suggested that it would be helpful to have more detail around plans to address issues such as clinical pathways and financial targets. In view of the complexity involved, it is likely that Year 2 will be more challenging than Year 1. Mr Ayres agreed, adding that performance expectations have been raised, alongside the financial expectations. Members were reminded that investments are being made in specific areas.

Mrs Marks also highlighted that the coming year is likely to be challenging for the Health Board's staff. It can be difficult to maintain motivation; however, targets and requirements will not be achieved without staff engagement. She felt that this is an issue of which all Committees should be mindful. Agreeing, Mr Huw Thomas indicated that it would have been 'easy' to develop an Annual Plan which simply drove down expenditure. However, a conscious decision had been made to build where possible and strike a balance between making savings and investment. He hoped that this will help to mitigate the focus on savings. Whilst acknowledging this, Mrs Marks noted that many areas and services will not receive investment, and will need to be supported in other ways.

Cllr. Evans thanked everyone across the organisation for their contribution, and congratulated Mr Ayres on his new title.

Mrs Wilson advised that, once the new Escalation Framework is received, work will be undertaken to re-map criteria to the relevant Board level Committees.

Decision: The Committee **NOTED** the Escalation Status Update.

The Committee agreed to **ASSURE** the Board in relation to the Escalation Status Update.

Mr Shaun Ayres left the Committee meeting.

AC(25)40 **All Wales NHS Audit Committee Chairs' Meeting Update**

Members heard that the most recent meeting had been cancelled.

AC(25)41 **Standing Orders, Standing Financial Instructions and Scheme of Delegation**

Introducing the report, Mrs Wilson advised that the Health Board's Standing Orders had last been updated in May 2024. A number of changes have been made to the Standing Orders and Scheme of Delegation, as detailed in the report and appendices. None has been made to the Standing Financial Instructions as yet. The documents are presented to ARAC for approval and onward ratification by the Board.

Referencing paragraph 1.1.3, Mr Davies requested clarification around whether the officer member responsibility for Primary Care and Community and Mental Health Services is assumed by the Chief Operating Officer in the case of Hywel Dda University Health Board (HDdUHB). Mrs Wilson confirmed that the accountability for these areas sits with Mr Carruthers as Chief Operating Officer, and that this is the case in the majority of Health Boards. With regard to paragraph 1.1.4, Mr Davies noted the requirement for an Independent Member (IM) with experience and expertise in estates. Members heard that HDdUHB does not have an IM with this specialty; however, the Health Board had worked with Welsh Government, who had instead agreed to a higher number of community IMs.

Also in relation to paragraph 1.1.4, and to paragraph 1.1.9, it was suggested that there was an implied contradiction regarding the numbers of IMs and whether this included or excluded the Chair and Vice-Chair. Mrs Wilson confirmed that the numbers are 9 plus 2 respectively; however, agreed to consider whether any changes can be made to clarify the statements. Mr Davies queried the implications of paragraph 7.4.3's requirement that 'Board members shall be sent an Agenda and a complete set of supporting papers at least 5 clear days before a formal Board meeting.' Mrs Wilson advised that the planned approach would be as currently, with the agenda and papers issued at least 7 calendar days in advance. **JW**

In response to a query around when the revised Standing Financial Instructions might be issued, Miss Charlotte Wilmshurst advised that these are being aligned with the Procurement Act 2023. It had been hoped that they would be available for approval with the Model Standing Orders; however, this had not been possible. In respect of the Scheme of Delegation, Mr Davies noted and queried the following statement on page 6:

CAPITAL INVESTMENT, FIXED ASSET REGISTERS AND SECURITY OF ASSETS
15.1.3 Capital Plan (Row 220)

The Board must approve a three year Capital Plan, and an annual Capital Programme, as set out in the Integrated Medium Term Plan and Budgetary Control chapters of these SFI

Mr Thomas explained that this is not possible within the scope of an Annual Plan, and that an annual Capital Plan is, therefore, required. Members noted that this does, technically, represent a breach of Standing Financial Instructions. It was suggested, however, that it is challenging for Health Boards to meet this requirement in the absence of a three year Capital Plan from Welsh Government, and that such a Plan might assist in the development of capital schemes such as the Cross Hands Integrated Care Centre (ICC). Mr Thomas observed that there is currently no three year allocation formula, and that it would be difficult for the Health Board to put in place a three year Capital Plan without an Integrated Medium Term Plan (IMTP). Whilst there may be 'informal' local plans on a three-year basis, these are not formal or explicit.

In the Scheme of Delegation, Cllr. Evans queried the implications of the proposed change regarding Commissioning of Continuing Healthcare and Funded Nursing Care and removal of the wording 'outside panel'. Mrs Wilson committed to check. Mrs Marks noted that there is no reference to the issue of Unitary Boards and how Health Boards operate in this capacity. Whilst acknowledged as a potential anomaly, Members were reminded that the Model Standing Orders are prescribed by Welsh Government. Cllr. Evans thanked Mrs Wilson and her team for their work. **JW**

Decision: The Committee:

- **CONSIDERED** the required amendments made to HDdUHB's Standing Orders in light of Welsh Government amendments to the Model Standing Orders.
- **REVIEWED** HDdUHB's revised Scheme of Delegation.
- **RECOMMENDED** the revised version of HDdUHB's Standing Orders and Scheme of Delegation to the Board on 29 May 2025 for approval.

AC(25)42 **Audit Wales Update Report**

Mr David Williams noted that Audit Wales are presenting two items for the Committee's consideration: the usual Update Report and the Audit Plan for 2025/26. The former summarises the current status of financial and performance audit work. In terms of financial audit work, preparations are underway for the annual audit of accounts, the findings of which will be reported by the end of June 2025. Attempts are being made to bring forward the timetable for Charitable Funds accounts audit work and further updates will be provided when available. With regard to performance audit, Ms Urvisha Perez presented a summary of planned and current work. She was aware that there are several reviews outstanding, and there is a focus on closing these. Most are at the reporting stage, with the exception of the Review of the Management of Outpatients, which is in the last stages of

fieldwork, and the Deep Dive Review of Investment in Digital Systems, for which the draft scope was issued last week. Ms Perez drew Members' attention to the national reports detailed within the report, with the Cancer Services report appearing on today's agenda. Exhibit 4, the Annual Audit Plan 2025/26, also appears next on the agenda.

Mr Andrew Carruthers and Mr Keith Jones joined the Committee meeting.

Cllr. Evans noted that reviews on Urgent and Emergency Care, Planned Care and Capital Programme Prioritisation were all due to be reported to today's meeting. He expressed concern around the number of reports outstanding and ARAC's capacity to review all of these effectively. Ms Perez shared these concerns and apologised for the delays. She advised that the first two reviews are almost complete and the aim will be for all to come in June 2025 but the Capital review may be delayed until August 2025. In response to a query around whether management are content with the local work proposed, Mrs Wilson indicated that this was the case. Due to the proposed investment in Radiology, it had been determined that a review would be appropriate, and the local review of Cancer Services follows the national work.

Decision: The Committee **NOTED** the Audit Wales Update Report.

AC(25)43 **Audit Wales Audit Plan 2025/26**

Presenting the Audit Wales Audit Plan 2025/26, Mr Williams indicated that this sets out how Audit Wales will undertake both financial and performance audit work throughout the year. He drew Members' attention to page 6 onwards of the report, which describes the planned approach to the financial audit work. From page 14 onwards, the performance audit work is described, with Ms Perez explaining that this includes core work, a Review of the Arrangements to Manage Estates and (as already mentioned) Review of Radiology Services. A thematic review into Cancer Services will examine the progress being made towards achieving Welsh Government targets and quality standards for cancer services.

With regard to the proposed review of Estates, Mr Davies enquired whether this will consider the balance between developing new estate and ensuring that the existing estate is fit for purpose. If this is a national review, he wanted to ensure that it will identify local issues. Mr Davies highlighted that HDdUHB has the oldest estate in Wales and is being subjected to a number of restrictions in the development of new facilities, for example the Cross Hands ICC. Ms Perez advised that this is a local rather than national audit, and assured Members that the draft project brief will be agreed with Health Board management.

Noting the proposed reporting timescale for the Radiology review, with fieldwork commencing in September 2025 and reporting in

March 2026; Cllr. Evans reiterated previous comments around ensuring that reporting timescales are met, so as to not impact detrimentally on ARAC's workload. Members noted that the indicative reporting dates would need to be forward planned onto ARAC's Workplan for 2025/26. **CM**

Decision: The Committee **NOTED** the Audit Wales Audit Plan 2025/26.

AC(25)44 **Review of Urgent and Emergency Care**

DEFERRED to 24 June 2025 meeting

AC(25)45 **Planned Care Review**

DEFERRED to 24 June 2025 meeting

AC(25)46 **Cancer Services in Wales: A review of the strategic approach to improving the timeliness of diagnosis and treatment**

Ms Perez introduced the report, which had been published in January 2025. This had examined the national strategic approach, focusing mainly on Welsh Government and its NHS Executive. While it includes some high level commentary about Health Board performance, it is not an audit of Health Board arrangements. As mentioned, a Thematic Review of Cancer Services will examine local arrangements. The National Review focused on the timeliness of diagnostics and treatment, with Welsh Government having set a target that 75% of cancer patients should start their first treatment within 62 days of the first suspicion of cancer. Performance against this measure was selected as a way of understanding pressure in the system, particularly ability to respond to increasing demand. The review focused on the national strategic approach, as common challenges to delivering timely treatment were identified, including workforce, digital, availability and quality of data and barriers to regional working.

The report makes 10 recommendations for improvement, focusing on Welsh Government and (in some cases) working with other organisations. The findings were based on data analysis, review of documents and interviews with officials at various organisations. Audit Wales also spoke to a sample of four Health Boards; these interviews were focused on gathering perspectives of the national approach rather than a review of local approaches.

The report is divided into two parts; the first part focuses on analysis of data on referrals, activity to diagnose and treat patients, cancer survival and mortality in the widening deprivation gap, opportunities to detect cancer earlier and high level analysis of spending and workforce shortages. Key findings are that demand is increasing ahead of the NHS's ability to meet it and the waiting list is growing. Overall, NHS Wales is continuing to miss the 62 day target. The second part of the report focuses on the national strategic direction and leadership to improve cancer services. Key messages are a lack of clarity on the status of the cancer improvement plan in how it aligns with the cancer

improvement initiatives. Welsh Government has not integrated the plan into its planning and performance frameworks and NHS bodies and the Third Sector are confused about the strategic direction. There is a lack of leadership, coherent strategy, focus on cancer prevention, and slow decision-making. The Welsh Government's oversight is narrowly focused on the 62 day target rather than broader outcomes and system change.

Since the report was published, Welsh Government has responded, accepting 8 of the 10 recommendations. Audit Wales is not clear whether they have accepted Recommendation 4, as this is not specifically stated. They have partially accepted Recommendation 9 on improving data on cancer services, with caveats indicating that they may not be able to provide all of the data in the recommendation. The Senedd Public Accounts and Public Administration Committee is holding an inquiry to examine the issues raised in the report. An evidence session with witnesses from Third Sector organisations was held on 25 March 2025 and another session with Welsh Government and the NHS Executive will take place on 1 May 2025.

From a Health Board and service perspective, Mr Andrew Carruthers indicated that the report has been reviewed and potential learning opportunities identified. It should be noted that the Welsh Government response had only been received last week. The report and response will be considered at the June 2025 Quality, Safety and Experience Committee (QSEC) meeting. In terms of national conversations, Members heard that Mr Carruthers, as Chair of the Chief Operating Officers' (COOs) Peer Group, had met with the new national lead for Cancer based at the Velindre Cancer Centre. Discussions had taken place around how the COOs might work differently as a group, and how more senior operational input and oversight might be factored in. This had been a positive conversation, and a workshop is being planned for May 2025 to discuss the matter further.

Noting that Welsh Government had only accepted 8 of the 10 recommendations, Cllr. Evans enquired whether Audit Wales is planning to query this. In response, Ms Perez advised that the inquiry is scrutinising the report's findings in detail and, until that process is complete, it would not be appropriate for Audit Wales to respond. Cllr. Evans queried whether there is an expectation of a formal local response, to which he was informed that there was no such expectation. The national report can be utilised by Health Boards as they see fit and there are already plans in place for local audit work in this area. Mr Carruthers assured Members that steps will be taken to ensure any potential learning from the report is applied prior to the local audit.

Mr Davies thanked Audit Wales for the report, which provides a clear sense of current Cancer Services across Wales, and welcomed receipt of a response from Welsh Government. He noted that Cancer is the leading cause of death in Wales, and that 4 in 10 Cancer cases are preventable. The impact on both Cancer

Services and the health of the population of addressing the latter would be significant, and the importance of shifting resource into prevention and Public Health to do so was emphasised. Noting Recommendation 7 around employment opportunities for Radiologists, Mr Davies highlighted the need for training places in addition to employment. He enquired whether it is possible to require, via Health Education and Improvement Wales (HEIW), that Radiologists who are trained in Wales remain in Wales for at least a proportion of their working career. A significant number are required in HDdUHB and any actions which might facilitate this would be welcomed.

In terms of data, Mr Davies advised that a webinar by Digital Health and Care Wales (DHCW) last week had included a presentation from a Haematologist. They had indicated that, since use of a specific system had been ended, they are no longer able to access data and information on trends, etc which had fed into the management of certain cancers (myelomas specifically). Ms Perez advised that she has not been as involved in this audit as other colleagues and is, therefore, not so close to the detail of its findings. She noted, however, that Recommendation 7 links to work in relation to Workforce Planning, and individual Health Board work in this area. Ms Perez was not aware of any requirement for Radiologists to remain in Wales after training. In terms of data, whilst issues have been identified around data quality, she was not sure about the issue of data availability and would seek to obtain further detail from colleagues. She indicated that data collection differs between location, which makes it challenging to establish a national picture. Mr Davies was grateful for the offer to look into this matter, highlighting that Cancer Services is an area against which the Health Board is assessed as part of Targeted Intervention. **UP**

Mr Carruthers acknowledged the importance of considering population health and prevention, and advised that he plans to discuss this with the Director of Public Health. There is a great deal of appetite to embed this operationally, and recognition of the potential benefits it offers. He assured Members that it is very much part of the planned approach. Returning to the issue of workforce and Recommendation 7, Mr Keith Jones suggested that until now, Health Boards have not necessarily been in a position to prioritise the resources to recruit Radiologists into their local workforce. However, as Members will be aware, from this year onwards, a step-increase in recurrent investment has been made into local Radiology services, which includes additional Radiologist capacity. This investment is aligned to improving the Health Board's diagnostic capacity to support the Cancer Pathway, and demonstrates a link between operational planning and priorities and some of the higher level messages in the report.

Mrs Marks welcomed the report and recommendations to Welsh Government. She also thanked Mr Carruthers for his assurances around Health Board actions. Mrs Marks enquired what Audit Wales would want HDdUHB to consider (as opposed to Welsh

Government) in taking this forward. Secondly, a shift in resource nationally and locally into the well-being, preventative and Social Model for Health sphere should improve matters greatly. Mrs Marks queried whether Audit Wales have any thoughts on the preventative issue and the move to a more well-being focused approach. In response, Ms Perez was of the opinion that the intended Health Board approach is the correct one. She suggested that it compare its performance with the priorities and messages identified in the report. For instance, to examine the potential barriers to improving performance in regard to Cancer Services. In terms of the focus on preventative care, Ms Perez also indicated that it is sensible to explore collaboration with Public Health and boost initiatives in this area. She agreed that there must be a shift in focus to preventative measures. Mrs Marks also wished to discuss the methodology utilised in this review, noting that Audit Wales had chosen to use the 62 days performance metric. She enquired regarding the other methodologies and measures considered, and whether Audit Wales felt that the one selected was the best. Ms Perez indicated that she was not in a position to answer this question and would refer it to colleagues who had been more closely involved in the audit. Mrs Wilson advised that it had been agreed the Audit Wales report and its implications for HDdUHB would be considered at the June 2025 QSEC meeting.

UP

Ms Sharon Daniel, Ms Mandy Davies, Mr Ian Bebb and Ms Cathie Steele joined the Committee meeting.

Revisiting an earlier agenda item, Cllr. Evans requested an update on AC(25)04 from the Table of Actions. Mr Carruthers advised that meetings in relation to Pathology have taken place, and that the Vice-Chairs of HDdUHB and Swansea Bay UHB have been tasked with providing additional oversight in this area. The Pathology Operational Delivery Network (ODN) Steering Group had been able to meet last week and had considered the draft Terms of Reference for taking this work forward at pace and examining the priorities identified by the Board. This would ensure that Board can be presented in September 2025 with a clear set of options that consider all potential opportunities for addressing the challenges around Cellular Pathology across south west Wales and the delivery modes and models which would enable that to happen. The Board had agreed to extend the Memorandum of Understanding (MOU) on a transitional basis, which is helpful because it provides the governance framework for HDdUHB and Swansea Bay UHB (SBUHB) to work together and share information. However, at the point of considering the options and how to progress these, it may be that the previously considered best approach to addressing the governance issues involved with the ODN may no longer be fit for purpose. This will need to be part of that consideration also. Mr Carruthers felt, however, that there is now a clearer and more robust way forward, which will address the concerns expressed by both Boards. He and the executive lead in SBUHB will be meeting every couple of weeks with the Vice-Chairs to update on progress. It was agreed that the existing

action would remain on the Table of Actions, with Mr Carruthers to provide a further update to the June 2025 meeting. **AC**

Decision: The Committee **NOTED** the Cancer Services in Wales Report and Welsh Government Management Response.

The Committee agreed to **ASSURE** the Board in relation to the Cancer Services in Wales Report and Welsh Government Management Response.

AC(25)47 **Elective Waiting List Management (Substantial Assurance)**

Ms Sophie Corbett introduced the Elective Waiting List Management Internal Audit report, which had reviewed the key controls in place to manage and mitigate the risks facing Orthopaedic Services in the achievement of ministerial waiting list targets. Findings identified that there are robust arrangements in place for the monitoring, management and validation of waiting lists. The accuracy of Referral to Treatment (RTT) data submitted to the Health Board and Welsh Government was also verified. The audit had concluded Substantial Assurance overall, with no matters arising.

Mr Carruthers welcomed the audit and its findings, which were extremely reassuring. He felt that it reflected the robust nature of the processes underlying the improved performance in this area. Cllr. Evans congratulated Mr Carruthers and his team on the audit outcome. He wished, however, to explore how communication with patients on waiting lists is being managed. Mr Carruthers reminded Members that the Waiting List Support Service (WLSS) had been established some time ago as a hub for communication with, and single point of contact for, patients. In certain instances this had possibly not been as effective as it might have been. However, as waiting times come down, waiting lists will become easier to manage and the scale of the task less challenging. Members heard that the Validation team is also in constant contact with patients. Building on this, Mr Jones assured Members that – should the position of any patient change as a result of a validation action, as opposed to treatment – both the patient and their referring GP will receive a formal communication from the Health Board.

Mrs Marks added her congratulations and thanks to the team for their work. Whilst welcoming the fact that there are no matters arising, she requested assurance that there will nevertheless be a continuous focus on improvement and opportunities to enhance services. Mr Jones advised that the report references a separate audit conducted into the Validation Process, which had identified certain areas for improvement, and confirms that these have been addressed. This audit references more specific local audit activity that the Planned Care and Validation teams undertake, and the data that was explored through those activities correlated. Both of these provide assurance that internal systems and processes are robust. With regard to improvement going forward, the next major step will be to reflect the new national access policy for Planned

Care which is about to be launched. This implies a number of changes in systems and processes for Health Boards in terms of managing waiting lists. HDdUHB will need to take steps to fully understand the implications of this new policy.

Cllr. Evans noted reference to the Health Board Watchtower meetings, and queried how these will function in the new operational structure. In response, Mr Jones explained that the Watchtower is an operational group that previously sat within the Planned Care or Scheduled Care Directorate but now sits within the new Planned and Specialist Care Clinical Care Group (CCG). It will continue to function in the way that it has and will report through the new CCG and local performance oversight arrangements. The overall approach and progress in Planned Care, Cancer, Diagnostics and Therapies, will then be overseen by an overarching Planned Care Delivery Group. Essentially there are various levels to the reporting and escalation arrangements, both within and from the CCG. Members were assured that accountability is clearly structured and documented and Mr Jones provided assurance that he would link with the CCG to ensure this was reflected on their local organagram.

Decision: The Committee **NOTED** the Elective Waiting List Management (Substantial Assurance) Internal Audit report.

The Committee agreed to **ASSURE** the Board in relation to the Elective Waiting List Management (Substantial Assurance) Internal Audit report.

Mr Andrew Carruthers and Mr Keith Jones left the Committee meeting.

AC(25)48 **Clinical Audit Update**

Cllr. Evans welcomed Ms Sharon Daniel and colleagues to the meeting, and congratulated her on her recent appointment to the substantive role of Executive Director of Nursing, Quality and Patient Experience. Introducing the Clinical Audit Update report, Mr Ian Bebb reminded Members that an earlier than usual update had been requested, to provide the Committee with assurance. A large number of new audits were added to the National Clinical Audit and Outcome Review Plan (NCAORP) mandatory audit programme in 2024/25 and the process of determining whether or not they were applicable has now been completed. The Health Board will be participating in all. Two areas were flagged as outliers by the audit providers: Epilepsy 12 and National Joint Registry. Both of these issues have also been resolved.

Whilst the Health Board is planning to participate in all mandatory audits, a process for escalating concerns has been introduced, utilising a Quality Impact Assessment (QIA), as discussed at the December 2024 meeting. Members heard that the Audit Management and Tracking (AMAT) software continues to be used for Clinical Audits, and that a new module will be added, primarily for nurse-led audits in both hospital and community settings.

Further updates to AMAT are due in June and July 2025. The local audit programme also remains in place, which allows the Health Board to respond to ad hoc and local issues. The Whole Hospital and Whole Health Board Audit meetings also continue, and facilitate shared learning.

Cllr. Evans requested assurance around mandatory audits and whether participation is logged. Mr Bebb confirmed that participation is both expected and monitored. Welcoming the information provided by the report, Mr Davies noted that funding for AMAT was originally on a temporary basis and enquired whether this is now confirmed. In response, Ms Sharon Daniel advised that AMAT is currently funded from the Medical Director's budget. A number of services rely on this software and Ms Daniel felt that it represents good value for money. She agreed to discuss with the Interim Executive Medical Director the issue of ongoing funding. In response to a query around participation levels and escalation processes, Ms Daniel advised that the QIA process had been introduced almost a year ago. This considers participation across all sites and the impact of non-participation. The outcome of this process can then be discussed with the services. Ms Daniel felt that it helped to emphasise the importance of participation in Clinical Audit. **SD**

Referencing the earlier Internal Audit Report on Waiting List Management and, whilst noting the assurance therein around processes, Mr Thomas was conscious that there are issues with the way in which patients are managed while they are waiting for treatment. He enquired whether Clinical Audit has a potential role to play in understanding patient and clinical pathways from GP referral onwards, or from presentation at A&E onwards. There are likely inefficiencies within systems which might be highlighted, as it appears to be difficult to source evidence via other routes. In response, Mr Bebb suggested that this is an example of where the local Clinical Audit programme can contribute to assessing performance against 'gold standards' in treatment. Services would identify an area to audit as part of the programme.

Mr Thomas noted that this approach would be 'service up', suggesting that the requirement should instead be 'top down' (similar to the process for determining the Internal Audit and Audit Wales Audit programmes). Ms Daniel agreed, adding that consideration should be given to how all quality improvement processes are mobilised. Sharing this view, Ms Mandy Davies suggested that what was being proposed was more of a system-wide audit of pathways, with Clinical Audit being only part of this. Mr Thomas indicated that a relatively small sample of patients would probably identify various examples of inefficiencies in processes. Mrs Marks welcomed the report and was content with the recommendations; however, agreed that it does not answer questions around the patient journey. Whilst 'gold standard' treatment should be the aim, there is also the issue of the patient experience and people-centred approach. There needs to be evaluation of whether patient and clinical pathways are correct.

Ms Daniel echoed the importance of 'bringing to life' the quality management system. Quality planning, quality control, quality improvement and quality assurance all have the ultimate aim of improving the patient experience. Mr Davies was pleased to note the continued support for the Enabling Quality Improvement in Practice (EQIiP) programme, suggesting that EQIiP might provide a suitable route for the matter discussed above. It was agreed that Mrs Wilson, Ms Daniel and Mr Thomas would consider how Clinical Audit might contribute to a wider piece of work around inefficiencies in Patient/Clinical Pathways and would discuss this with the Chair of QSEC. **JW/SD/ HT**

Decision: The Committee:

- **NOTED** the expansion of the use of AMAT software within the Health Board
- **TOOK ASSURANCE** from the continuation of the majority of mandatory national audits and the processes followed for escalation
- **TOOK ASSURANCE** from the resolution of all of the projects that were awaiting confirmation of participation
- **NOTED** the increased monitoring of some projects and the new assessment process that is being piloted
- **NOTED** the development of the 2025/26 programme and new approach
- **TOOK ASSURANCE** from the continued shared learning through the Whole Hospital Audit Meetings (WHAM)

The Committee agreed to **ASSURE** the Board in relation to the Clinical Audit Update.

Ms Mandy Davies and Mr Ian Bebb left the Committee meeting.

AC(25)49 **Internal Audit Plan Progress Report**

Mr James Johns introduced the Internal Audit Plan Progress Report, which was of the usual format. The report includes, in Section 2, details of the five audits finalised since the previous meeting, all of which have positive outcomes. In terms of ongoing delivery of the Plan, paragraph 3.3 outlines minor changes to the programme and describes incorporation of further audit work on recommendation tracking which will support the year-end position. The Internal Audit Plan for 2025/26 has been prepared, and appears as the next agenda item.

Mrs Wilson hoped that there will be an opportunity to achieve a Reasonable Assurance rating for the Head of Internal Audit Opinion. She emphasised the importance of the Executive Team focusing on implementing outstanding recommendations, noting that this will be the difference between Limited and Reasonable Assurance. In response to a query around the likely outcome, Mr Johns indicated that it will probably be extremely close, with the recommendation tracking work being key. Mrs Wilson agreed that

the Opinion outcome is finely balanced. Whilst corporate areas are generally leaning towards Reasonable Assurance, operational areas are returning Limited Assurance ratings in a number of cases. She emphasised that, even if a Reasonable Assurance Head of Internal Audit Opinion is achieved this year, it will include certain caveats.

Decision: The Committee **TOOK ASSURANCE** with regard to the delivery of the Internal Audit plan and the outcomes of the finalised audit reports.

AC(25)50 **Internal Audit Plan 2025/26**

Mr Johns presented the Internal Audit Plan and Charter for 2025/26. This sets out the specific programme of work proposed, and describes the approach to meeting the Internal Audit Standards. It is similar in content to previous year's Plans. The document references the new global Internal Audit Standards and takes the Committee through the planning approach applied in order to meet these. It also sets out the planned Internal Audit coverage, which will be reviewed on a continuous basis to ensure it adequately reflects the needs of the Health Board. The Plan highlights Key Performance Indicators (KPIs). The Audit Charter provides a detailed description of how the work will be delivered and reported, etc. There are no significant changes to the latter. The proposed programme is included at Appendix A; the Internal Audit team having met with a number of individuals in the Health Board to develop the Plan, which is linked to both organisational priorities and Targeted Intervention requirements. Sections 5 and 6 set out the resource needs assessment. The Committee's approval of the Plan is being sought.

Thanking Mr Johns, Mr Davies enquired whether Internal Audit are content with the 'spread' of audits in terms of delivery, to ensure that a backlog of reports does not build up towards the end of the year. Mr Johns advised that indicative timelines have been proposed, with audits allocated to specific quarters. He felt that there is a balanced approach and recognised the need for an even spread in delivery. Updates on progress will be provided in the usual manner. Mr Davies noted that there is no follow-up proposed on the Limited Assurance Data Quality audit. In response, Mr Johns advised that detailed follow-ups are planned for certain audits, for example Nursing Management; others will be managed primarily via the recommendation tracking approach. This will involve assessing and monitoring whether recommendations have been completed.

Referencing the KPIs, Mr Davies queried their 'fairness' to Internal Audit, noting that there was no reference to their dependence on the Health Board's actions, for example in preparing management responses. He enquired whether there are expectations and/or deadlines for such actions. Mrs Wilson advised that this forms part of the meeting between Internal Audit and management. There is an escalation process; however, providing that the process works as intended, this should not be required. In response to a query

around whether the various stages are enacted as set out, Mr Johns confirmed that they are. A collaborative approach between Internal Audit and management is taken, with flexibility applied when necessary. The new reporting style facilitates this approach. Cllr. Evans enquired how compliance with the Charter is managed, and Mr Johns explained that the Director of Assurance reviews aspects of the Internal Audit team's work against the Standards and the Charter on an ongoing basis. An annual report is then produced by the Director. With regard to paragraph 5.1 of Appendix C, it was highlighted that 'nominated executive lead' should be amended to read 'nominated director lead'. **JJ**

Cllr. Evans queried how findings from national audits are fed back to the Health Board. Mr Johns indicated that any significant issues would be highlighted to ARAC. There have not been any audits this year which have specifically impacted on the Health Board; should there have been, they would have been reported. All are, however, summarised within the Annual Report. Referencing the planned audit into Estates and Utilisation of Space, Mrs Marks enquired whether the scope is concerned only with whether the controls are in place or whether it will actually consider how effective the utilisation of space is. She suggested that there are instances of the latter being less than optimal. Mr Johns advised that it is likely to focus on the systems, processes and controls in place for space utilisation, and how the organisation reviews and changes this when required.

Mrs Marks also wished to clarify the scope of the Cyber Security audit, noting that this is a specialised area. She enquired whether the audit will focus on the processes and controls being in place, or that these are effective in ensuring cyber security. In response, Mr Johns advised that this audit would consider the systems, processes, risks and improvement plans in place and will link with national work on cyber security. Mr Thomas emphasised that the Health Board does not rely on internal audits to assess cyber security. The NHS Wales Cyber Resilience Unit, which ensures that NHS organisations comply with the Network and Information Systems (NIS) Regulations, will be testing HDdUHB compliance on 10 and 11 September 2025. The outcome will be reported to the new Digital, Data and Innovation Committee (DDIC).

As with the Audit Wales audit programme, Cllr. Evans emphasised the need for Internal Audits to be delivered to schedule, so as to spread the Committee's workload evenly. Mr Johns advised that, once the proposed Plan is approved, details of report timings will be provided.

Decision: The Committee **APPROVED** the Internal Audit Plan and Charter for 2025/26.

AC(25)51 **Learning Lessons (Reasonable Assurance)**

Mr Mark Henwood and Ms Carly Hill joined the Committee meeting.

Ms Corbett introduced the Learning Lessons Internal Audit report, which reviewed the processes in place for capturing and sharing learning from incidents and complaints. Sample testing identified that learning is not always captured clearly and consistently in DATIX and in some instances there was a lack of evidence to demonstrate the sharing of learning that had been identified. Clarity is also required around the circumstances under which an action plan should be completed following investigation of a concern, and the Health Board is in the process of developing a Listening and Learning Framework which should reinforce responsibilities and mechanisms for sharing learning. This is yet to be finalised and launched. Overall, Reasonable Assurance was concluded, with four medium priority matters arising.

Ms Daniel thanked the Internal Audit team for their report, noting that all of the matters arising are aligned to processes. She and Ms Cathie Steele confirmed that actions to address all of these are in progress. Cllr. Evans requested assurance around whether the Listening and Learning Sub-Committee (LLSC) is meeting its Terms of Reference and whether it meets frequently enough. Members heard that Mr Mark Henwood had taken over as Chair of this Sub-Committee. He confirmed that it is a valuable forum which is considering important issues and which provides robust assurance and learning. In response to a query around the Listening and Learning Framework, Ms Steele advised that this has been considered by the LLSC and QSEC. The final model will be considered again by LLSC in May 2025. This will take the form of a Sharepoint webpage with multiple resources for staff.

Mr Davies enquired regarding how compliance with the guidance will be ensured and that, for example, the correct templates are used. Ms Steele note that much of the work is related to how the integrated governance groups are set up, particularly the quality and safety focused meeting. This links with previous audits on governance arrangements and there is an overlap in terms of escalation status between governance and quality and safety arrangements. Members were assured that this is being actively monitored and discussed with members of the Corporate Governance team. Ms Daniel emphasised that this is a critical time, with the move to the new CCG structure. She advised that the team has provided ‘masterclasses’ regarding expectations in this regard.

Decision: The Committee **NOTED** the Learning Lessons (Reasonable Assurance) Internal Audit report.

The Committee agreed to **ASSURE** the Board in relation to the Learning Lessons (Reasonable Assurance) Internal Audit report.

Ms Sharon Daniel and Ms Cathie Steele left the Committee meeting.

AC(25)52 **Consultant Job Planning Follow-up (Reasonable Assurance)**

Ms Corbett introduced the Consultant Job Planning Follow-up Internal Audit report, which focused on assessing progress in implementing recommendations arising from the audit undertaken in 2023/24. Action has been taken to ensure that job plans are completed in a timely manner, with new controls and processes contributing to a significant increase in compliance from 56% reported in February 2023 to 87% reported in January 2025, against the target of 90%. There are certain matters still requiring management attention, with instances of personal or service outcomes not documented in agreed job plans, and discrepancies between the sessions in the job plan and those recorded on the Electronic Staff Record (ESR) system with the baseline assessment of consultant session payments not yet finalised. Overall, the audit concluded Reasonable Assurance, an improvement on the previous review, with one high and one medium priority matter arising.

Mr Henwood wished to thank everyone in the Medical Directorate who has worked hard to drive improvement. He advised that a performance management framework has been established. Monthly data is shared and, if escalation is required, he meets with directorates or departments where performance is not progressing on an upward trajectory. It is recognised, however, that this is likely to be an ongoing process. The main difference is that all departments now have a robust improvement programme. With regard to Objective 2, service level objectives have been discussed with the Deputy Chief Operating Officer, who is helping to ensure that these are being introduced. Ms Carly Hill advised that there are examples of service objectives in Mental Health and Learning Disabilities (MHLD) which will be used as examples of good practice. For Objective 3, Members heard that the team is working with the Senior Medical Workforce Manager, to align job plans with the ESR system. It is intended that an internal Medical Directorate audit will be conducted in May 2025, to assess progress against both objectives.

Cllr. Evans congratulated the team on what was the first ever positive assurance rating for a Consultant Job Planning internal audit. Noting that there are actions outstanding, he requested assurance that these are achievable. Mr Henwood and Ms Hill confirmed that this was the case.

Decision: The Committee **NOTED** the Consultant Job Planning Follow-up (Reasonable Assurance) Internal Audit report.

The Committee agreed to **ASSURE** the Board in relation to the Consultant Job Planning Follow-up (Reasonable Assurance) Internal Audit report.

Mr Mark Henwood and Ms Carly Hill left the Committee meeting.

AC(25)53 **Financial Management (Reasonable Assurance)**

Ms Corbett introduced the Financial Management Internal Audit report, which reviewed control systems in place for financial management, budgetary control and the delivery of savings. Whilst 2024/25 budgets have been delegated to Executive Directors, with signed acceptance from all, the budgets have not been formally delegated beneath that level. The audit also identified that FCP budget holders have limited access to suitable training and not all had access to QlikSense for live budget monitoring and interrogation. Limited Assurance was concluded on Objective 3 only, in relation to identifying opportunities for savings. It was felt that there was scope for greater monitoring of the extent to which these opportunities or potential opportunities are explored. Also the extent to which they transacted into savings and efficiencies or are rejected as not to be taken forward. At the time of the review, there was a recurrent savings delivery shortfall of just under £14m. 17 of the 26 directorates were in escalation Level 3 for Finance, Strategy and Planning. With regard to the sampled directorates, notwithstanding a number of positive findings, all three have failed to identify sufficient recurrent saving schemes to meet their own targets, and there was also little evidence to demonstrate formal monitoring and management of individual saving schemes. Overall, however, a rating of Reasonable Assurance was awarded, with one high and four medium priority matters arising.

Mr Thomas welcomed the audit and its findings. In terms of Objective 1, he described the previous process for delegation of budgets. This has been reflected upon and a different approach is to be adopted, whereby budgets have been centrally delegated down to deputy level. It is recognised that a greater focus on training is required. To this end, HDdUHB and SBUHB are working together to explore the potential for a regional training approach. For Objective 3, identification of savings will be reported via the Value and Sustainability Group. The final issue, savings delivery, represents a continued source of frustration, with securing ownership of savings by operational teams an ongoing challenge. Mr Thomas suggested that this is something which needs to change within the new operational structure.

Noting the completion date of 31 March 2025 for the first action, Mr Davies requested confirmation that this had been achieved. Members were informed that, whilst budget allocation letters had been issued, not all the responses had been received. The final deadline would be the May 2025 Board meeting, by which time Mr Thomas would expect all of these to have been signed off. He would provide an interim update at the April 2025 Finance and Performance Committee (FPC) meeting. With regard to the possible joint approach to training with SBUHB, Mr Davies enquired how this will provide training aligned to local processes, and Members heard that the planned approach will allow for local nuance. Cllr. Evans enquired whether the proposed completion date for this action could be any earlier. Mr Thomas responded

that he wished to allow his team sufficient time to evaluate fully what good practice is in this area. He assured Members, however, that training will be provided in the meantime. In response to a query around whether Health Board staff are assisted in undertaking professional qualifications and training, Mr Thomas clarified that the audit finding was around a separate issue. He confirmed, however, that there is an internal programme of training and development, which includes apprenticeships, a graduate scheme, and chartered training. Returning to the issue of budget delegation, Cllr. Evans enquired how long letters have been with budget holders. He was advised that they had been issued in March 2025, and that discussions had been ongoing in-month. In response to a query around underspends and discussions around these, Mr Thomas confirmed that these conversations are taking place, along with risk assessments relating to the implications. Outcomes will be presented to the Executive Team, FPC and Board.

Decision: The Committee **NOTED** the Financial Management (Reasonable Assurance) Internal Audit report.

The Committee agreed to **ASSURE** the Board in relation to the Financial Management (Reasonable Assurance) Internal Audit report.

AC(25)54 Performance Management (Substantial Assurance)

Ms Corbett introduced the Performance Management Internal Audit report, which had reviewed the Health Board's performance management arrangements, including the Directorate Improving Together process, alignment with the NHS Wales Performance Framework and mechanisms for data collation. The audit had found arrangements to be very robust. It had concluded Substantial Assurance overall with two medium priority matters arising, relating to the quality assurance of data received from directorates, and progress by directorates that are remaining on Level 3 escalation for one or more domains.

Mr Thomas thanked the Internal Audit team for their work. His main concern was around Objective 3, as it identifies a process which does not provide the desired outcome. Whilst the process is tested and offers assurance, there need to be consequences for not delivering improvement in that escalation space. Members were assured that this is a topic which has been reflected upon by both the Executive Team and at Board. The approach will be refreshed going into this financial year.

Mr Davies noted that this was another audit which had identified issues around data quality. He and Mr Thomas are planning to meet to discuss this further. Returning to Objective 3, and given Mr Thomas's comments, Mrs Marks queried the completion date of 28 February 2025, suggesting that this might need to be reconsidered. Mr Thomas explained that the specific action identified has been completed; the broader issue is around the need for a new escalation process and status. There are plans in

place to address this matter. In response to a query around whether the completion date for Objective 2 will be met, Members were assured that the Head of Performance is working on this. Mr Thomas wished to record his thanks to the Performance team for their contribution.

Decision: The Committee **NOTED** the Performance Management (Substantial Assurance) Internal Audit report.

The Committee agreed to **ASSURE** the Board in relation to the Performance Management (Substantial Assurance)Internal Audit report.

AC(25)55 **Executive Team Working**

DEFERRED to 8 May 2025 meeting

AC(25)56 **Cleanliness/Cleaning Standards Follow-up**

DEFERRED to 8 May 2025 meeting

AC(25)57 **Withybush Hospital (WGH) RAAC**

DEFERRED to 8 May 2025 meeting

AC(25)58 **Continuing Health Care – Database Maintenance and Finance Processes**

DEFERRED to 8 May 2025 meeting

AC(25)59 **Annual Planning**

DEFERRED to 8 May 2025 meeting

AC(25)60 **Discharge Management Follow-up**

DEFERRED to 24 June 2025 meeting

AC(25)61 **Contract Management**

DEFERRED to 24 June 2025 meeting

AC(25)62 **Medical Workforce (Medical Locums Planned Care)**

DEFERRED to 2025/26 IA Plan

AC(25)63 **Financial Assurance Report**

Mr Ben Rees joined the Committee meeting.

Mr Thomas presented the Financial Assurance Report, indicating that this is of the standard format. He advised that progress is being made in terms of procurement and invoices on hold. The report highlights some of the challenges relating to requisitioner and approver non-compliance. The position in regard to Single Tender Actions (STA) is relatively stable, which is reassuring.

Cllr. Evans noted that, whilst there are no losses or special payments in excess of £5k requiring the Committee's approval, there are losses and write offs under £5k totalling £54,931. He asked whether details of these could be included in future reports.

Mr Thomas committed to do so, advising that the usual themes contributing to this were expired drugs and overseas patients not paying for treatment. Referencing 2.2.1, No PO, No Pay Policy Adherence, Cllr. Evans enquired regarding actions being taken to address Health Board non-compliance in the three directorates listed. Mr Thomas indicated that the Finance team has been working with directorates and putting in place processes and education. In response to a query around 2.3.1, Overpayment of Salaries and whether the new panel is having any effect, Members were directed to Figure 4. This shows that, whilst the period over which overpayments are recovered varies, the value is growing. Mr Thomas had hoped that, by meeting with managers of those directorates where there have been issues, improvements would be made. However, it is clear that there are significant challenges, particularly in Estates and Facilities, where there are numerous junior managers responsible for high numbers of staff who are in roles where they can leave with minimal notice. Without access to a digitised system, these factors can lead to overpayment of salary. Members were assured, however, that the Health Board does not generally write off overpayments of salary. **HT**

Mr Davies welcomed the update in 2.6.1 regarding VAT recovery for the Capital Front of House Scheme (Bronglais Hospital). He enquired regarding the amount paid to the Health Board's Tax Advisors in resolving this issue. Mr Thomas indicated that this would be relatively significant, but would confirm. He shared Mr Davies' content that this long-standing matter had been resolved. Referencing Appendix 1, HDD-VEAT-24-02, Mr Davies noted that the contract had expired in March 2025 and enquired whether this had been renewed. Mr Thomas replied that he has requested that the team work with MHLD to identify a compliant route to market which does not rely on VEAT, which is similar to an STA. He would be following up on this matter. **HT**

Decision: The Committee:

- **DISCUSSED** the breaches of Standing Financial Instructions (SFIs) detailed.
- **TOOK ASSURANCE** from the actions taken to reduce the instances of non-compliance with the No PO No Pay policy.
- **TOOK ASSURANCE** from the controls in place to manage Single Tender Actions (STAs).
- **DISCUSSED** the staff overpayments and took assurance that actions to control them are sufficiently embedded.
- **SCRUTINISED** the award of contracts listed.

AC(25)64 **Counter Fraud Annual Report 2024/25**

Mr Ben Rees introduced the Counter Fraud Annual Report 2024/25, which was as presented. He drew Members' attention to the table on page 4 detailing resource allocated and used, and emphasised that the excess in resource used does not come at any cost to the Health Board. The ratio of resource allocation in next year's Work Plan has been adjusted accordingly. Members were reminded that investigations and their outcomes have been

reported throughout the year. It was noted that criminal sanctions following investigation have increased compared with previous years, and that there has been greater engagement with law enforcement agencies.

Mr Thomas, who provides Executive oversight for Counter Fraud, wished to record his thanks to Mr Rees and his team for their professionalism and responsiveness. Members were reminded that Mrs Wilson undertakes the role of Fraud Champion for the Health Board. Cllr. Evans added his thanks, on behalf of the Committee, to the Counter Fraud team.

Decision: The Committee **RECEIVED FOR INFORMATION** the Counter Fraud Annual Report 2024/25.

AC(25)65 Counter Fraud Work Plan 2025/26

Mr Rees presented the Counter Fraud Work Plan for 2025/26, which includes both generic and proactive work, and is aligned to the Government Functional Standard GovS 013: Counter Fraud.

Welcoming the comprehensive plan, Mr Davies enquired which area gives Counter Fraud most concern in terms of delivery. Mr Rees advised that the organisational and fraud risks do not sit with any one directorate. The number of risk assessments conducted in 2024/25 has increased and it is recognised that this is an area requiring further attention and focus, hence the amber rating for risk in the SRT. The issue of risk is being examined in collaboration with risk partners and the wider Executive Team. Mrs Marks queried which issue gives most concern generally, rather than in terms of delivery. In response, Mr Rees indicated that this was procurement; as a result of both new legislation and the current financial climate. It is intended to maintain regular contact with partners and to follow-up on any concerns and/or risks raised. The onus in respect of this area will, however, fall on individual directorates.

Decision: The Committee **APPROVED** the Counter Fraud Work Plan 2025/26.

AC(25)66 NHS Counter Fraud Authority Draft SRT Return

Mr Rees introduced the NHS Counter Fraud Authority Draft SRT Return report, advising that there is only one Amber rated requirement, NHS Requirement 3. During the self-assessment, he had felt that, whilst there had been some improvement, this was an area where further work is still required. The overall rating is, however, Green.

Whilst recognising that there is only one Amber rated requirement, Cllr. Evans felt that it was important to view meeting these requirements as the minimum expectation and acknowledge that more can always be done.

Decision: The Committee **RECEIVED FOR INFORMATION** the draft NHS Counter Fraud Authority Draft SRT Return report, prior to it being submitted via the Counter Fraud Authority.

AC(25)67 **Risk Assurance Report**

Miss Wilmshurst presented the Risk Assurance Report, thanking Ms Rachel Williams and the Assurance and Risk team for their work, particularly in aligning the DATIX system with the new operational structure. She also thanked the Performance team for their contribution. There was no significant change in the number of risks, although the number overdue (11%) was an improvement on this time last year. Risk Action Plans show a similarly improving trend. Information on Risk Profiles is also included, with 22% of risks open as at February 2025 having been identified as a risk pre-COVID-19. In terms of services escalated, there are no major concerns around risk management following review. The organisation is in the process of embedding the Risk Management Strategy and approach to Risk Appetite. The Risk Maturity Assessment was approached slightly differently this year, with feedback obtained from the Executive Team and surveys issued to the wider organisation. There have been improvements in two areas – People and Outcomes, as detailed within the report.

Cllr. Evans welcomed the comprehensive report. Mrs Wilson added her thanks to Ms Williams and her team for their work in relation to the DATIX system. Mrs Marks noted that the risks are as discussed by the Board. There are a few directorates at Level 3 escalation; however, continued focus is required. Agreeing, Mrs Wilson advised that those within the Chief Operating Officer's remit are all being monitored and liaised with. The Primary Care issue is one relating to Out Of Hours, and was 'inherited' by the Director of Primary Care. Mr Thomas noted that the directorates at Level 3 for the Governance domain are also at Level 3 for a number of other measures.

Decision: The Committee **TOOK ASSURANCE** on risk management arrangements and processes in order to report progress to the Committee, including the revised performance management arrangements.

AC(25)68 **ARAC Workplan 2025/26**

Decision: The Committee **NOTED** the Audit Work Programme 2025/26, which will be updated in line with discussions and to align with Audit Wales and Internal Audit Plans.

AC(25)69 **Any Other Business**

There was no other business reported.

AC(25)70 **Matters and Risks for Escalation to the Board**

As noted.

AC(25)71 **Date and Time of Next Meeting**

9.30am, 8 May 2025 (Review of Draft Annual Accounts and Accountability Report)
9.30am, 24 June 2025

COFNODION Y CYFARFOD PWYLLGOR ARCHWILIO A SICRWYDD RISG HEB EU CYMERADWYO / UNAPPROVED MINUTES OF THE AUDIT AND RISK ASSURANCE COMMITTEE MEETING

Date of Meeting: 09:30, Thursday 08 May 2025
Venue: Microsoft Teams Meeting/ Ystwyth Boardroom

Present: Cllr. Rhodri Evans, Independent Member (Committee Chair)
Mr Winston Weir, Independent Member (Committee Vice-Chair) (VC)
Mr David Williams, Audit Wales (VC)

In Attendance: Mr James Johns, Head of Internal Audit, NWSSP
Mrs Joanne Wilson, Director of Corporate Governance/Board Secretary
Miss Charlotte Wilmshurst, Assistant Director of Assurance and Risk
Mr Huw Thomas, Director of Finance
Professor Philip Kloer, Chief Executive (part)
Mr Lee Davies, Director of Strategy and Planning (part)
Dr Dan Warm, Head of Planning (VC) (part)
Ms Rhian Davies, Assistant Director of Finance (part)
Mr Tim John, Head of Accounting and Statutory Reporting (part)
Ms Clare Moorcroft, Committee Services Officer (minutes)

Minutes Ref.	Item	Action
AC(25)72	**Introductions and Apologies for Absence** Cllr. Rhodri Evans, Audit and Risk Assurance Committee (ARAC) Chair, welcomed everyone to the meeting. Apologies for absence were received from: • Mr Maynard Davies, Independent Member • Mrs Eleanor Marks, Vice-Chair, HDdUHB • Mrs Lisa Gostling, Executive Director of Workforce and OD/ Deputy Chief Executive • Mr Shaun Ayres, Director of Delivery • Ms Alwena Hughes Moakes, Communications and Engagement Director • Ms Fiona Hancock, Senior Communications Officer	
AC(25)73	**Declaration of Interests** No declarations of interest were made.	
AC(25)74	**Internal Audit Plan Progress Report** Mr James Johns introduced the Internal Audit Plan Progress Report, which was of the usual format. The report includes, in Section 2, details of the three audits finalised since the previous meeting, all of which appear on today's agenda. In terms of ongoing delivery of the Plan, all audit work contributing to the year-end position will be completed. Members were advised that the Draft Head of Internal Audit (HOIA) Opinion has not yet been issued, as it needs to incorporate the outstanding audit work. The assurance rating of the HOIA Opinion remains finely balanced.	

Members heard that Mr Maynard Davies, who is unable to attend today's meeting, had submitted a number of queries for consideration. One of these was whether the reports deferred from today's agenda will count towards the HOIA Opinion. Mr Johns confirmed that all will contribute, as will the planned work in relation to recommendation tracking mentioned at the previous meeting. Hence the delay in producing the Draft HOIA Opinion. In response to a query around the anticipated timescale for issuing the latter, which contributes to various year-end documentation, Mr Johns advised that the team is aiming to issue this by the end of May 2025.

Cllr. Evans enquired whether there was any sense of the likely assurance rating. Mr Johns reiterated that this was extremely finely balanced, more so than any previous year. Whilst there had been a number of Limited Assurance reports at the beginning of the year, there had been several very positive reports more recently. As a result, it had been viewed as important to undertake the follow-up work in relation to recommendation tracking, in order to provide a full picture. The next few audits due for finalisation, in addition to this work, will determine the overall HOIA Opinion. Mrs Joanne Wilson advised that she and Miss Charlotte Wilmshurst meet with Internal Audit colleagues on a weekly basis to discuss progress. It is possible that the HOIA Opinion will conclude Limited Assurance, which would be disappointing. As indicated at the previous meeting, whilst audits in corporate areas have generally returned more positive assurance ratings, operational areas are resulting in Limited Assurance ratings in a number of cases, indicating that further work is required. If an overall Limited Assurance HOIA Opinion is concluded, it has been requested that the report reflects this distinction.

In terms of the audits which concluded Limited Assurance, Cllr. Evans enquired regarding the likely outcomes for follow-up audits. Mr Johns explained that a follow-up audit is being conducted for Discharge Management, with the outcome as yet unknown. For the others, follow-ups are being managed via the recommendation tracking work (if completion dates for recommendations are within the relevant timescale; some are in the future). A balanced approach is being taken, as far is as possible. The audit into Cleanliness and Cleaning Standards is currently in draft, and is close to conclusion, with a meeting scheduled for tomorrow. This audit has concluded a Limited Assurance rating. In regard to the Discharge Management audit, Mrs Wilson advised that a number of the recommendations were due for completion by the end of March 2025, and progress on these will be examined. There have been various changes in Executive Director portfolios and accountability, which has impacted to some extent.

Cllr. Evans hoped for a positive outcome, noting that this will be known by the next meeting. Mrs Wilson indicated that the position should be available by the end of May 2025, and would schedule a meeting between Cllr. Evans, Mr Johns and herself to discuss the Draft HOIA Opinion, when this was available. In terms of the **JW**

various Limited Assurance reports, Mr Winston Weir enquired whether follow-up audits would be scheduled for early next year. He was particularly concerned with audits in Data Quality, Nursing Management, Discharge Management and Management of Bed Capacity. Mr Johns explained that, with regard to Discharge Management, a piece of work is being conducted which will determine whether a more detailed audit is required. Specific follow-up audit work in relation to Nursing Management, with an expanded scope, is included in next year's Plan. The recommendation tracking work already mentioned will guide on the other audits, with the progress made on recommendations determining whether follow-ups are required. Cleanliness and Cleaning Standards will probably require a follow-up audit in next year's Internal Audit Plan.

Decision: The Committee **TOOK ASSURANCE** with regard to the delivery of the Internal Audit plan and the outcomes of the finalised audit reports.

AC(25)75 Executive Team Governance (Substantial Assurance)

Mr Johns introduced the Executive Team Governance Internal Audit report, the purpose of which was to review the revised Executive Team governance structure. Overall, the audit had concluded Substantial Assurance, with two matters identified requiring management attention, around a lack of clarity in the distinction between Formal and Business Executive Team meetings; and a lack of workplans for two of the three groups supporting the Executive Team (ET). Whilst these matters are not significant, they do offer an opportunity to further strengthen existing arrangements.

Professor Philip Kloer welcomed the audit and its findings, indicating that the two areas for management attention were issues he had already identified as requiring consideration. In terms of the distinction between Business and Formal Executive Team, steps have already been taken to delineate between the two, including development of different agendas. Consideration is being given to whether Business ET can be made less formal, as it is felt that this may enable more effective discussion. The point regarding workplans for the 'A Healthier Mid and West Wales' (AHMWW) and Value and Sustainability (V&S) Groups is well-made and constructive. Professor Kloer noted the importance and value of the Integrated Quality, Finance and Performance Delivery (IQFPD) Group. Overall, the increase in confidence in these arrangements is welcome. Members heard that the Chief Executive has requested that the Executive Leads for each of the Groups, with support if required from the Director of Corporate Governance, ensure that their workplans are aligned with the new IQFPD. The latter will need to change to recognise the role of the new Clinical Care Groups.

Mr Weir welcomed the report and the assurance it offers. He agreed that a less formal space for Business ET should be explored. He enquired firstly whether Professor Kloer felt that the

arrangements had worked out in the way he had anticipated. Secondly, regarding the workplans for the AHMWW and V&S Groups, he suggested that the completion date of 31 July 2025 be brought forward. In response to the first query, Professor Kloer emphasised that a great deal of focus had been placed on this area at the beginning of last year. In this respect, the audit was especially timely in reviewing the arrangements. He was pleased with the way in which the arrangements have worked; however, there is always scope for change and improvement. There are many possible options for managing the myriad factors and dynamics involved, all of which have individual benefits and drawbacks. Overall, however, he felt that the current arrangements probably manage these as well as possible. Of the Groups, it was IQFPD which Professor Kloer suggested presents the most significant challenge, being such a vital group which is responsible for a significant agenda. Whilst, in view of its importance, he would like to attend, he recognised the need to have confidence in his Directors.

Turning to the recommendation around workplans, Mr Huw Thomas was of the opinion that there is one for the V&S Group, suggesting that the Group had been working to one. This would allow the completion date to be achieved earlier. He committed to check. **HT** With regard to the AHMWW Group, Mr Lee Davies indicated that this Group has responsibility for various programmes of work, each of which provide reports to every meeting. The workplan is, therefore, in effect, to receive these reports. Consideration could be given, however, to whether Deep Dives into specific areas, aligned to the workplans for the Strategy and Planning Committee (SPC) and Digital, Data and Innovation Committee (DDIC) would be appropriate. **LD** He also felt that a workplan could be produced more quickly, allowing the completion date to be met earlier. Mr Weir thanked all for this additional assurance, indicating that the standard set by this report sets the tone for Operational Governance arrangements.

Cllr. Evans added his congratulations on the outcome of the audit to those involved. He agreed with Mr Weir's comments regarding completion dates. He welcomed the finding that there was no apparent duplication between groups. Cllr. Evans enquired regarding how the Targeted Intervention Co-ordination (TI) Group fits into this structure. In response, Professor Kloer explained that the Group provides more of a coordinating function, and feeds into ET. It sits above the three supporting groups. The TI Group has, however, become incredibly important in terms of coordinating the Health Board's responses to Welsh Government and providing input on tracking progress, etc. Mr Lee Davies agreed that the TI Group is an enabling/peripheral group.

Decision: The Committee **NOTED** the Executive Team Governance (Substantial Assurance) Internal Audit report.

The Committee agreed to **ASSURE** the Board in relation to the Executive Team Governance (Substantial Assurance) Internal Audit report.

Professor Philip Kloer left the Committee meeting.

AC(25)76 Annual Planning (Reasonable Assurance)

Dr Daniel Warm joined the Committee meeting.

Mr Johns introduced the Annual Planning Internal Audit report, which reviewed the processes and assumptions used for developing the Annual Plan, noting how finance, activity and workforce elements are included. The audit had concluded Reasonable Assurance, identifying that a robust planning process was in place for development of the Hywel Dda Annual Plan for 2025/26. Clear governance and reporting arrangements had been embedded, which resulted in engagement with services and directorates throughout the process. One issue had been identified, around savings schemes and the high level of these which are identified as a 'Red' or 'Pipeline and Planning Assumption' schemes. Earlier identification of low-risk schemes would be beneficial. Overall, however, the audit found that the processes involved are robust.

Mr Lee Davies indicated that he was pleased with the audit report and findings. He observed that there is always a 'contradiction' when it has not been possible to deliver a financially balanced Plan or Integrated Medium Term Plan. In such cases the planning process is often viewed as insufficient; however, the process has been judged to be robust, and he was not sure what more could have been done, especially given the scale of the challenge being faced by the Health Board. In terms of savings, to meet the Plan which was developed, an extremely high savings target had to be set – the second highest in Wales. As such, the findings in this regard are perhaps not surprising. However, the organisation would certainly wish to see more savings schemes in the 'Green' or 'Amber' category at an earlier stage.

Cllr. Evans welcomed the report, agreeing that no more effort could have been made in developing the Plan; the findings reflect the environment in which the Health Board finds itself. Mr Weir agreed that the audit result was the best which could be expected, given the organisation's current escalation status and financial challenges. He congratulated the team on the outcome. In terms of audit scope, Mr Weir could see that the financial element was met, and enquired how workforce and activity were tested. Mr Johns advised that the audit team had identified the assumptions within the Plan and sought evidence to support these. In response to a query around the level of confidence regarding robust triangulation, Mr Johns indicated that there had been greater and stronger evidence of plans coming from service areas, etc. For additional assurance, Dr Daniel Warm explained that the process had included provision for maintaining iterations of the Plan at each stage. There had been detailed feedback to services and

directorates at each stage and this constant feedback process ensured triangulation between the activity, workforce and finance elements. Noting this, Mr Weir suggested that there should, therefore, be no reason why budget holders cannot sign off on their allocated budgets.

Whilst agreeing in principle, Mr Thomas observed that there are certain complexities from a financial perspective, including the change in operational structure and the fact that a number of individuals new to the organisation have been appointed to roles in this, with the resulting time required to learn about HDdUHB processes. Members heard that the budget allocation process had been started earlier this year (at risk), following Sustainable Resources Committee (SRC) approval of the Plan rather than the Board's; this had gained a month. Mr Thomas was confident that the process would be further improved next year. He advised that the vast majority of accountability letters had been signed and returned. Those that have not will be identified in his May 2025 report to Board. Mr Weir thanked Mr Thomas and Dr Warm for the additional information and assurance.

Mr Lee Davies emphasised that, whilst there has been progress, the Health Board is aware that there is more which can be done to improve the robustness of the planning process. Acknowledging this, Mr Weir felt that the positive independent assurance offered by the internal audit should, however, be recognised.

Decision: The Committee **NOTED** the Annual Planning (Reasonable Assurance) Internal Audit report.

The Committee agreed to **ASSURE** the Board in relation to the Annual Planning (Reasonable Assurance) Internal Audit report.

Mr Lee Davies and Dr Daniel Warm left the Committee meeting.

AC(25)77 Digital Strategic Partner (Substantial Assurance)

Mr Johns introduced the Digital Strategic Partner Internal Audit report, the purpose of which was to review arrangements relating to the contract for the strategic partner. The audit had concluded Substantial Assurance, with two medium priority findings around ensuring that there is an assessment of the full range digital capabilities required and how these are to be accessed; and ensuring the draw down against the contract fits with the overall prioritisation for the whole organisation.

Mr Thomas welcomed the audit and its findings. He noted that this area represents a significant strategic development for the Health Board and welcomed the assurance provided around the contract procurement. The matters for management attention were fair and accepted. Certain of the aspects relating to the digital partnership will provide breadth (for example the Patient Flow and eObs projects); others will provide depth to meet specific service needs. In terms of how projects are funded, each will be subject to a Business Case, which will follow the designated approval process.

Some will require Board approval, others will fall within delegated approval limits. The use of the partner will be monitored via DDIC and will be reported to each meeting. Mr Thomas was pleased with the progress made to date, noting that – for Electronic Prescribing and Medicines Administration (EPMA) – it had taken 5 weeks to reach the point that it took another health board 18 months to reach.

Mr Weir commended the report and the progress made in this area, which was crucial for the organisation. It is vital that the Health Board's digital arrangements align with service needs. With HDdUHB being at the leading edge in this area, it is important to maintain scrutiny. Mr Weir's only concern would be around ensuring value for money. Mr Thomas assured Members that progress will be kept under review, including the value for money aspect. Utilisation of the strategic partner will always be considered having evaluated whether 'in house' provision is comparable. Costs are based on Framework rates, which are regularly benchmarked. In response to a query around where the partnership agreement was approved, Members heard that this had been considered and approved by the Board. The 'ways of working' will, however, be agreed at DDIC.

Cllr. Evans noted the statement that 'The contract has a maximum annual spend of £7.5m, however the current agreed spend within Digital is £1.8m'. and requested assurance regarding approval processes. Mr Thomas explained that all of this figure formed part of various Business Cases; whilst not specifically identified within these, it is part of the implementation costs for each. He had, however, requested that the Digital Director include this level of detail within the report to DDIC. There may, as indicated above, be spends on digital that fall within Directors' budgets; however, all will be reported to DDIC. Mr Weir assured Members that this had been the process previously, via SRC. Whilst the committee considering these will now be DDIC, he was also confident that the governance structure is sufficiently robust to ensure a 'read-across' to the Finance and Performance Committee (FPC) and Strategy and Planning Committee (SPC). Mr Thomas assured Members that the scrutiny planned for this contract is greater than any other within the Health Board.

Decision: The Committee **NOTED** the Digital Strategic Partner (Substantial Assurance) Internal Audit report.

The Committee agreed to **ASSURE** the Board in relation to the Digital Strategic Partner (Substantial Assurance) Internal Audit report.

AC(25)78 **Cleanliness/Cleaning Standards Follow-up**

DEFERRED to 24 June 2025 meeting

AC(25)79 **Withybush Hospital (WGH) RAAC**

DEFERRED to 24 June 2025 meeting

AC(25)80 **Continuing Health Care – Database Maintenance and Finance Processes**

DEFERRED to 24 June 2025 meeting

AC(25)81 **Report on the Adequacy of Arrangements for Declaring, Registering and Handling of Interests, Gifts, Hospitality, Honoraria and Sponsorship**

Mrs Wilson presented the report, which was the first component of the Year-End documentation for consideration by ARAC. Members heard that the current policy is due to be reviewed in November 2025. There are various mechanisms via which the policy and its requirements are promoted; it is contained within contracts of employment; it is part of induction programmes for Health Board staff, including Board Members. It is communicated via various means and individual team support is provided. The policy is also promoted via the Counter Fraud team at staff induction. The report details how support is provided to Board Members and other staff in terms of Declarations of Interest. It also includes information around the approach taken regarding high-risk groups; although Mrs Wilson recognised that a stronger focus is required in this area.

In terms of the intended policy review in November 2025, Cllr. Evans enquired regarding the expectation. Mrs Wilson advised that this will be an opportunity to consider any changes required and determine whether the policy needs to go out to consultation. The formal approval process is via the People, Organisational Development and Culture Committee (PODCC).

Decision: The Committee **REVIEWED** the adequacy of the arrangements in place for declaring, registering and handling interests, gifts, hospitality, sponsorship and honoraria during 2024/25 for onward assurance to the Board.

The Committee agreed to **ASSURE** the Board in relation to the arrangements in place for declaring, registering and handling interests, gifts, hospitality, sponsorship and honoraria during 2024/25.

AC(25)82 **Year-end Processes - Compliance with Ministerial Directions and Welsh Health Circulars**

Mrs Wilson presented the reports detailing Compliance with Ministerial Directions (MDs) and Welsh Health Circulars (WHCs), which are intended to provide assurance on the processes rather than the MDs and WHCs themselves. Miss Charlotte Wilmshurst advised that all of these are logged on the Audit Management and Tracking (AMAT) system. Of the WHCs, 7 are behind schedule, some of which are outside the control of the Health Board. Members were assured that compliance forms part of the internal escalation process and that committees also monitor, scrutinise and challenge on compliance. Mr Weir confirmed that this was the case and welcomed the central tracking process.

Decision: The Committee **TOOK ASSURANCE** that there is a process in place within the University Health Board to monitor the implementation of Welsh Health Circulars.

Decision: The Committee **NOTED** the status of Ministerial Directions received by the Health Board and **TOOK ASSURANCE** that the Health Board has systems and processes in place in respect of monitoring the implementation of Ministerial Directions.

AC(25)83 **Draft Audit and Risk Assurance Committee Annual Report 2024/25**

Professor Philip Kloer joined the Committee meeting.

Mrs Wilson introduced the Draft ARAC Annual Report 2024/25, thanking Miss Wilmshurst and Ms Rachel Williams for their work on this document. Members will note that the section in relation to the HOIA Opinion is yet to be finalised, for the reasons already outlined. Comments and feedback on the report would be welcomed; changes will be approved via Chair's Action prior to submission to Board in June 2025.

Cllr. Evans thanked all of those involved in drafting the report, and everyone who has contributed to the Committee's discussions across the year.

Decision: The Committee **AGREED** to feed back comments on the ARAC Annual Report within one week and **REQUESTED** Chair's Action to approve the content of the report, prior to onward submission to the Board.

AC(25)84 **Draft Head of Internal Audit Opinion and Annual Report 2024/25**

DEFERRED, as discussed.

AC(25)85 **Assurance Report on Board Effectiveness**

Presenting the report, Mrs Wilson advised that this topic had been discussed in detail at the April 2025 Board Seminar. There had been a couple of subsequent amendments, which were included in the version presented today. The report's findings will be reflected in the Accountability Report, and consideration will be given to how these are progressed over the coming year. A number of the elements map to committees and TI requirements, etc. Members heard that a new process for assessing Board Effectiveness had been utilised this year.

Mr Weir thanked the team for compiling the report and the background work involved. Noting that Welsh Government had previously made reference to Board Self-Assessments, Professor Kloer enquired whether this document will be shared at a Public Board meeting. Mrs Wilson confirmed that it will, as part of the Accountability Report, which will be considered at the June 2025 Public Board meeting and at the Annual General Meeting (as part of the HDdUHB Annual Report). Part of the new criteria for TI

involves developing a Board Self-Assessment; it is not yet known whether there will be a national Self-Assessment tool. Mrs Wilson and/or Mr Shaun Ayres would seek clarity from Welsh Government. In the absence of a central Self-Assessment tool, HDdUHB would use the version presented today. Mrs Wilson thanked Miss Wilmshurst for her work in developing the new Self-Assessment tool, and welcomed the constructive discussion which had taken place at Board Seminar. **JW/SA**

Decision: The Committee **TOOK ASSURANCE** from the process that has been undertaken this year to review the Board's effectiveness, recognising that this had been discussed by the Board at the Board Seminar meeting held on 17 April 2025.

AC(25)86 **Audit Enquiries to those Charged with Governance and Management**

Mr Thomas introduced the Audit Enquiries to those Charged with Governance and Management, which is a standard Year-End report, reflecting Audit Wales requirements. It presents a number of key questions which could impact on financial audit findings, together with the Health Board's response to these. Last year's responses are also included for reference.

Mr David Williams confirmed this interpretation of the requirement, adding that the various key questions are mandated by the national Audit Standards. The Health Board's response will be used to inform the Risk Assessment process and audit approach. Members heard that Audit Wales is working on the financial audit at present, having received the accounts from the Health Board by the required deadline.

Cllr. Evans thanked Mr Williams for his input and thanked Mr Thomas and the Finance team for their work in preparing the Health Board's response.

Decision: The Committee **REVIEWED** the response prepared and **RATIFIED** this for onward submission to Audit Wales.

AC(25)87 **Draft Performance Overview**

Presenting the Draft Performance Overview section of the HDdUHB Annual Report, Mr Thomas indicated that this is a significant undertaking, involving a number of teams across the Health Board. He thanked the Finance team, the Performance team (particularly Ms Tracy Price), operational teams for validation of information, the Communications team (particularly Ms Alwena Hughes Moakes and Ms Fiona Hancock) and the Executive Team. Members heard that the report has been circulated to the Health Board Chair and Chairs of the FPC, the Strategic Development and Operational Delivery Committee (SDODC) and the Quality, Safety and Experience Committee (QSEC) for review. The document remains in draft until it is combined with the other components of the HDdUHB Annual Report.

Mrs Wilson advised that Mr Maynard Davies had welcomed the inclusion of the amendments had had requested. It was agreed that notes of thanks would be sent to Ms Hughes Moakes, Ms Tracy Price and Ms Hancock. **HT/JW**

Decision: The Committee **RECOMMENDED** the Performance Report chapter of the 2024/25 Annual Report for approval by the Board.

AC(25)88 **Draft Accountability Report**

Ms Rhian Davies and Mr Tim John joined the Committee meeting.

Mrs Wilson introduced the Draft Accountability Report, which represents the Chief Executive's section of the HDdUHB Annual Report. She advised that all feedback received will be tracked, to ensure that all required amendments are made and for the Chair's information. The HOIA Opinion section of this document is subject to change, for the reasons already discussed.

Professor Kloer thanked all of those involved in the report's production. He felt that it was a comprehensive report that he, personally, was content with; however, would welcome any additional feedback or comments. Miss Wilmshurst was thanked for her work on all of the Year-End documentation and aspects. Mr Weir had two comments: he suggested that consideration be given to using a different photograph on the front page, and noted that (on page 12) 'Finance and Planning Committee' should read 'Finance and Performance Committee'. **JW/CW**

Decision: Subject to the above, the Committee **DISCUSSED** and **SUPPORTED** the content of the Draft Accountability Report, agreeing to provide any feedback that is relevant to its objective to the Director of Corporate Governance/Board Secretary by 23 May 2025, in order to provide assurance to the Board that a robust governance process was enacted during the year.

The Committee agreed to **ASSURE** the Board in relation to the content of the Draft Accountability Report and that a robust governance process was enacted during the year.

AC(25)89 **Banking Arrangements**

Mr Thomas introduced the Banking Arrangements report, which describes work undertaken as a result of banking cost increases. Ms Rhian Davies explained that, whilst the Standing Financial Instructions (SFIs) allow for the use of commercial accounts, this should only be where there is a clear rationale for not utilising the Government Banking Service (GBS). Given the proposed increase in fees at the Health Board's commercial banking provider, it was considered timely to review the arrangements. The proposed change will make a small cost saving and avoid additional future costs. Mr Thomas advised that the report is presented for ARAC's consideration by virtue of the approval route in the SFIs.

Mr Maynard Davies had submitted three questions in relation to this item, as follows:

- Are there any disadvantages for the Health Board in moving to GBS?
- Are there any disadvantages to our payees in moving to GBS? Eg will payments take longer?
- Will moving to GBS increase our bank charges?

Members were informed that the answer to all of these was negative. Professor Kloer enquired whether other Health Boards utilise the GBS and was advised that they do. In response to a query around whether any issues were envisaged in the short-term, Ms Davies indicated that provision has been made for a test period before accounts are moved, to identify any potential issues.

Decision: The Committee **SUPPORTED** and **RECOMMENDED** for approval by the Board the decision to close the main and general Barclays accounts and move all exchequer transactions to GBS. A separate Charity current account will also be set up in GBS.

AC(25)90 **Draft Annual Accounts 2024/25**

Presenting the Draft Annual Accounts 2024/25, Mr Thomas wished to record his thanks to the Finance team for their work throughout the year but especially in recent weeks. In particular, he recognised the contribution of Ms Davies and Mr Tim John. As indicated earlier, the Health Board had met the deadline for submitting its draft accounts to Audit Wales and Welsh Government. The presentation accompanying this item outlines the various key aspects of the accounts, including:

- The Health Board did not achieve the target in relation to Revenue Resource Performance (Statutory); however, did return an improved position
- The Health Board did achieve the target in relation to Capital Resource Performance (Statutory). This year had been particularly challenging, due to a number of late capital allocations from Welsh Government. There was a relatively small underspend of £86k; however, the funding had been utilised to the maximum possible extent. Mr Thomas was not comfortable with the position, noting that capital funds had not necessarily been apportioned to the areas of greatest need, due to a need for expediency and ease of allocation
- The Health Board did not achieve the target in relation to Duty to prepare a 3 Year Plan (Statutory)
- The Health Board did achieve the target in relation to Creditor Payment, although payments to other NHS organisations remains a challenge, involving as it does a great deal of validation

The following slides provide a ‘side-by-side’ comparative assessment of various aspects of the accounts, this year versus

last year. Members were invited to present queries, noting that the accounts are currently in draft form, with Audit Wales, and are therefore subject to change. Mr Tim John wished to draw Members' attention to Slide 11, which provides more detail regarding provisions for Clinical Negligence (Secondary Care) and the Band 2 to 3 Health Care Support Worker (HCSW) re-banding.

Cllr. Evans welcomed the information provided, particularly the presentation, which was extremely clear. He thanked the Finance team for all their work, recognising that the Health Board is a very large organisation with significant and complex finances. Mr Weir noted the increase in legal fee provision and enquired around the reason for this. Ms Davies advised that it related to the defence legal fees associated with clinical negligence cases. In response to a query around progress with the Band 2/3 issue, Mr Thomas advised that every Health Board is taking an individual approach. In the case of HDdUHB, this means making the required financial provision associated with its local position on the matter. He was confident that the Health Board has followed the appropriate process, which had been discussed at the In-Committee Board.

Mr Weir noted that the provision for Clinical Negligence (Primary Care) appears to have doubled, and requested clarification of the reasons for this. Mr Thomas committed to investigate and advise Members further. Members were informed that Professor Kloer and Mr Thomas had reflected on the approval process for clinical negligence claims and had discussed the due diligence process with colleagues in NHS Wales Shared Services Partnership (NWSSP). They had been assured by discussions, whilst noting that this is an ongoing issue. Mr Weir enquired whether there is still provision made for annual leave accrual, to which Mr John confirmed that £900k provision was made in this year's accounts. Whilst a similar approach to previous years had been adopted, Mr Thomas explained that this differed from the COVID-19 Pandemic, when staff were permitted to carry-over more significant periods of annual leave. It is now limited to 5 days, which also limits the Health Board's financial liability in this regard. **HT**

Mr Williams indicated that Audit Wales will be working closely with the Health Board to progress the financial audit work, and will raise any queries with them. At present, the timelines for approval (at ARAC on 24 June 2025 and at Public Board on 26 June 2025) appear achievable. Audit Wales will keep in mind the ongoing nature of the HOIA Opinion aspect, with Mrs Wilson committing to update on progress. Mr Thomas thanked Mr Williams and his colleagues, welcoming the positive relationship with Audit Wales. He advised that he and Mr Williams have a 'touchpoint' meeting every week, which allows issues to be raised and managed early. **JW**

Mrs Wilson suggested that Mr Maynard Davies and Mrs Eleanor Marks be offered the opportunity to receive the draft accounts presentation provided to today's ARAC meeting, should they so

wish. Agreeing, Mr Thomas indicated that he would also be happy to receive additional comments and feedback outside the meeting.

Decision: The Committee **DISCUSSED** and **NOTED** the draft annual accounts for 2024/25.

AC(25)91 Any Other Business

There was no other business reported.

AC(25)92 Date and Time of Next Meeting

9.30am, 24 June 2025

2.2

09:30, 0 Mins

2.2 - Table of Actions

Rhodri Evans (Hywel Dda UHB - Independent Member)

For assurance

Attachments

2.2 Table of Actions ARAC 15 April and 8 May 2025.pdf

Audit & Risk Assurance Committee
TABLE OF ACTIONS
Arising from Meeting held on 15 April and 8 May 2025

Minute No.	Meeting Date	Subject	Action	Lead	Timescale	Progress/Date Achieved
AC(25)04	**11/02/2025**	**Mortuary Services (Limited Assurance)**	To report the outcome of discussions at the Regional Management Meeting and Regional Mortuary Operations meeting around key issues and lessons learnt relating to the programme	**AC**	~~**April**~~ **June 2025**	15 April 2025 Regional ODN Operations Group has been unable to meet due to quoracy. A review of that is being undertaken. The Mortuary Management Group continues to meet to progress the actions arising from the audit. 24 June 2025 The Regional Pathology Programme has revised its governance arrangements to reflect discussions held at both the Hywel Dda and Swansea Bay UHB Public Board Meetings in May 2025. The Vice-Chairs of both Health Boards meet with the senior team involved in progressing the Pathology Programme on a fortnightly basis, to gain assurance on progress and pace. The focus is currently on developing a set of options to address the immediate estate issues in Cellular Pathology, which will influence how the ODN model will progress.

Minute No.	Meeting Date	Subject	Action	Lead	Timescale	Progress/Date Achieved
AC(25)37	**15/04/2025**	**Table of Actions**	**AC(25)04** – to provide a further update to the June 2025 meeting	**AC**	**June 2025**	See AC(25)04, above.
AC(25)39	**15/04/2025**	**Escalation Status Update Report**	To add to future iterations of the report details of any deteriorating measures	**SA**	**June 2025**	**Complete** Future reports will reflect this aspect.
AC(25)41	**15/04/2025**	**Standing Orders, Standing Financial Instructions and Scheme of Delegation**	Standing Orders: To consider whether any changes can be made to clarify the statements around numbers of IMs	**JW**	**May 2025**	**Complete** As HDdUHB is required to follow the Model Standing Orders issued by Welsh Government, it will not be possible to amend the potentially contradictory statements in paragraphs 1.1.4 and 1.1.9; however, the HDdUHB website will make it clear that there are 9 Independent Members, not including the Chair and Vice-Chair.
			Scheme of Delegation: To check the implications of the proposed change regarding Commissioning of CHC and FNC (removal of the wording 'outside panel')	**JW**	**June 2025**	**Complete** Responsibility for authorising emergency care packages or changes to care packages outside of panel lies with the Director of Primary Care, Community Strategy and Long Term Care, hence removal of the term 'outside panel' for those entries in the Scheme of Delegation where responsibility is further delegated.
AC(25)43	**15/04/2025**	**Audit Wales Audit Plan 2025/26**	To forward plan the indicative reporting dates onto ARAC's Workplan for 2025/26	**CM**	**June 2025**	**Complete**

Minute No.	Meeting Date	Subject	Action	Lead	Timescale	Progress/Date Achieved
AC(25)46	**15/04/2025**	**Cancer Services in Wales**	To obtain more detail around the availability of Cancer data/information	**UP**	**June 2025**	**Complete** The report explains that there are gaps in published data across the patient pathway including: • 'open' pathway waiting time to show how many patients are currently waiting for treatment; • activity and timeliness leading up to referral; • activity and timeliness after first treatment starts, including follow-up tests, ongoing treatment and access to palliative and end-of-life care; • data to track progress against the ambitions in the Quality Statement for Cancer – particularly prevention and early detection of cancer; • data to understand how equitable cancer services are, including ethnicity of patients, and patient outcomes and experience by sex and for children and young people; and • timeliness data for Powys resident treated by other providers. Individual health boards may have additional unpublished data to understand cancer services.

Minute No.	Meeting Date	Subject	Action	Lead	Timescale	Progress/Date Achieved
			To clarify with colleagues what other methodologies/ performance measures were considered and whether the one selected was felt to be the best	**UP**	**June 2025**	**Complete** The cancer services report focuses on national arrangements to drive improvements in cancer services. A key part of the national approach is the Welsh Government's target that 75% of cancer patients start treatment within 62-days of the first suspicion of cancer. The report examines performance against the target alongside demand and activity trends. The report explains that the Welsh Government's oversight is narrowly focused on the 62-day target. The target is a useful barometer to understand cancer services but there are no measures to understand other aspects of cancer services including achievement of the principles in the Welsh Government's Quality Statement for Cancer.
AC(25)47	**15/04/2025**	**Clinical Audit Update**	To discuss with the Medical Director the issue of ongoing funding to support the AMAT system	**SD**	**June 2025**	**Complete** Discussed with the Medical Director, who will consider this requirement and review opportunities within the Medical Directorate. It is noted that this funding stream is supplying a number of Corporate and Operational functions. If there are challenges identifying the ongoing

Minute No.	Meeting Date	Subject	Action	Lead	Timescale	Progress/Date Achieved
						budget, the Medical Director will liaise with the Director of Finance.
			To consider how Clinical Audit might contribute to a wider piece of work around inefficiencies in Patient/ Clinical Pathways and to discuss this with the Chair of QSEC	**JW/SD/ HT**	**June 2025**	**In Progress** Meeting scheduled for 16 June 2025.
AC(25)49	**15/04/2025**	**Internal Audit Plan 2025**	To change (under Appendix C, para 5.1) 'nominated executive lead' to 'nominated director lead'	**JJ**	**June 2025**	**Complete** Noted in IA Plan and Charter.
AC(25)63	**15/04/2025**	**Financial Assurance Report**	To include in future reports details of losses and write offs under £5k	**HT**	**June 2025**	**Complete** Future reports will reflect all losses and write offs.
			To confirm the amount paid to the Health Board's Tax Advisors in resolving the BGH Front of House Scheme VAT issue	**HT**	**June 2025**	**Complete** Fees of £78,500 were paid to the Health Board's Tax Advisors in respect of this VAT issue.
AC(25)74	**08/05/2025**	**Internal Audit Plan Progress Report**	To schedule a meeting between Cllr. Evans, Mr Johns and Mrs Wilson to discuss the Draft HOIA Opinion, when available	**JW**	**June 2025**	**Complete** Meeting held 22 May 2025 to discuss the Draft Head of Internal Audit Opinion.
AC(25)75	**08/05/2025**	**Executive Team Governance (Substantial Assurance)**	To check whether there is a Workplan for the V&S Group	**HT**	**June 2025**	**Complete** Workplan has been shared with Internal Audit.
			To consider whether, for the AHMWW Group, Deep	**LD**	**June 2025**	**Complete**

Minute No.	Meeting Date	Subject	Action	Lead	Timescale	Progress/Date Achieved
			Dives into specific areas would be appropriate.			Draft work programme is scheduled for discussion at the next AHMWW Group meeting on 3 July 2025, where this action will be discussed.
AC(25)85	**08/05/2025**	**Assurance Report on Board Effectiveness**	To seek clarity from Welsh Government whether there will be a national Self-Assessment tool	**JW/SA**	**June 2025**	**Complete** Email sent to Welsh Government on 20 May 2025. Response awaited.
AC(25)87	**08/05/2025**	**Draft Performance Overview**	To send notes of thanks to Ms Hughes Moakes, Ms Tracy Price and Ms Hancock	**HT/JW**	**June 2025**	**Complete**
AC(25)88	**08/05/2025**	**Draft Accountability Report**	To consider using a different photograph on the front page, and (on page 12) to amend 'Finance and Planning Committee' to read 'Finance and Performance Committee'	**JW/CW**	**June 2025**	**Complete**
AC(25)90	**08/05/2025**	**Draft Annual Accounts 2024/25**	To investigate and advise Members further regarding the increase in provision for Clinical Negligence (Primary Care)	**HT**	**June 2025**	**Complete** Email circulated to Members on 13 May 2025.
			To update Audit Wales regarding progress on the HOIA Opinion	**JW**	**June 2025**	**Complete**

2.3

09:30, 0 Mins

2.3 - Matters Arising not on Agenda

Rhodri Evans (Hywel Dda UHB - Independent Member)

For discussion

2.4

09:30, 15 Mins

2.4 - Escalation Status Update Report

Philip Kloer (Hywel Dda UHB - Chief Executive), Lee Davies (Hywel Dda UHB - Executive Director of Strategy and Planning), Shaun Ayres (Hywel Dda UHB - Director of Delivery)

For assurance

Attachments

2.4 Escalation Status Update ARAC June 2025.pdf

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

1. Finance, strategy and planning
2. Performance and outcomes
3. Fragile services
4. Governance
5. Leadership, capability and culture
6. Quality of care

Escalation Domains

ARAC – 24th June 2025

Escalation Status Progress Report

Introduction

This report provides the Audit and Risk Assurance Committee with a comprehensive assessment of the Health Board's progress against Targeted Intervention requirements, incorporating both the Enhanced Monitoring criteria aligned to the committee and areas of key concern as previously requested. The analysis highlights challenging operational areas with evaluation of governance maturity, providing assurance on areas of strength whilst identifying where further focused intervention remains necessary.

The report structure addresses three critical components. First, we present a material risk that has emerged regarding our Annual Plan and the underpinning financial planning position, which creates important context for all subsequent discussions. Second, we examine three priority performance areas where statistical analysis indicates significant system constraints and challenges; requiring strategic interventions. Finally, we assess our position against key ARAC-linked governance criteria, demonstrating the substantial progress achieved in leadership and governance arrangements.

Material Risk Updates

2025/26 Financial Planning Position

The Health Board has received formal notification regarding its 2025/26 Annual Plan, which requires additional recovery actions to be submitted by 30 June 2025. Whilst the plan was developed and approved in accordance with the financial parameters and control total guidance available at the time of submission, subsequent review has identified the need for further measures to improve the financial position. The Board is required to identify additional savings beyond the £31.5m already planned, review planned investments of £11.7m and demonstrate an accelerated trajectory toward financial balance. This creates a material risk to both performance delivery and financial sustainability that requires the issue to be brought to the attention of ARAC. The Executive team alongside their senior leadership is developing comprehensive recovery actions that will attempt to address the financial requirements with and highlight any impact before said actions are undertaken

Performance Priority Areas

The following analysis examines three critical performance areas where current approaches have proven insufficient to achieve required Targeted Intervention requirements. Each area demonstrates statistical patterns indicating on the face of it fundamental capacity constraints rather than process inefficiencies, requiring strategic intervention to achieve sustainable improvement.

Emergency Ambulance Handovers Exceeding One Hour

Current performance shows 1,059 monthly handovers against a target of 680, representing a 56% gap affecting 379 patients monthly. Statistical analysis over 27 months reveals zero instances of achieving target performance, with our best month (721 handovers) still exceeding target by 6%. The probability of achieving target under current conditions is extremely low, indicating fundamental constraints rather than pure inefficiencies. Recent six-month performance has deteriorated by 9.8%, averaging 996 handovers compared to 907 previously. The Annual Plan requirement for summer performance of 717 handovers to enable winter compensation sits below our best-ever achievement, requiring sustained exceptional performance that statistical analysis suggests is beyond current system capability. Intervention must focus on alternative capacity or demand reduction rather than process optimisation alone.

Material Risk Updates

Pathways of Care Delays

Performance shows 234 delays against a target of 174, creating a 34% gap affecting 60 patients monthly. Over 27 months, target achievement stands at 0% with an extremely low statistical probability of success under current conditions. Whilst overall trend shows monthly improvement of 1.7 delays, this rate would require 35 months to reach target levels. Recent performance has deteriorated by 4.4% over six months, suggesting improvement momentum is stalling. System analysis reveals Carmarthenshire at 106 delays versus a required 85, indicating a 25% variance from planning assumptions. Each delayed discharge typically occupies beds for weeks rather than days, creating cascade effects through emergency departments and ambulance handovers. Success requires accelerated partnership working, expanded trusted assessor implementation, and additional intervention schemes beyond current plans.

Ophthalmology R1 Performance

Current performance of 34% within target timeframes against a 65% standard represents a 48% gap with declining trajectory. Statistical analysis reveals zero months achieving target over 26 months with almost a 0% probability of achievement under current conditions. Performance is deteriorating by 0.75 percentage points monthly, annualising to 9 points yearly. Recent six months show 6.2% deterioration with coefficient of variation at 14.5%, indicating unpredictable service delivery for urgent eye conditions. This metric represents significant patient safety risk as R1 pathways cover sight-threatening conditions where delays cause irreversible damage. The combination of large gap, zero historical success, and accelerating deterioration indicates fundamental capacity failures requiring immediate focused intervention rather than routine performance management.

These priority areas are overseen by the Finance and Performance Committee and will be discussed at the upcoming meeting on the 26th June.

ARAC Criteria - Governance and Leadership: Assessment of Progress

Criterion 41 - Revised Standard Operating Processes (SOPs) in Place and Assessed as Effective by Internal Audit Assessment – ASSURE

Following the organisational restructure, the Health Board has systematically revised and embedded its core SOPs across all Board and Committee functions. These changes are underpinned by the findings of the Internal Audit report "Targeted Intervention Governance" (May 2025), which provided Reasonable Assurance, identifying two medium-priority recommendations and no high priorities. The Board's 2025 Maturity Matrix exercise further confirms that Oversight and Administration Principles are now assessed at Level 4 – "Firm Progress", indicating that SOPs are both operational and well understood at all levels. Ongoing action is limited to the completion of an updated SOP flowchart and induction slide deck, due by September 2025, with progress monitored at each ARAC meeting. This approach provides robust evidence of effective process implementation and risk management, with residual risk assessed as low.

Criterion 42 - Consistent Oversight and Scrutiny of Current Service Provision by the Board and Committees, Including Duty of Quality Assessment – ASSURE

The Board has maintained a consistent programme of oversight throughout 2024/25, holding all scheduled Public Board meetings and seminars as planned. Papers have been consistently issued at least seven days in advance, as confirmed in the Corporate Governance Code self-assessment (March 2025), and the refreshed report template now includes explicit prompts regarding the Duty of Quality, with a pilot conducted across six papers during April and May 2025. The Board's Maturity Matrix rates Transparency and Public Reporting at Level 3 – "In development but effective". Full roll-out of the new reporting template is scheduled for the October 2025 Board cycle, supporting further assurance of embedded scrutiny and transparency. No significant outstanding actions remain, with the residual risk assessed as low.

ARAC Criteria - Governance and Leadership: Assessment of Progress

Criterion 43: Programme and Performance Management Framework with Effective Board Oversight

Assessment - ADVISE

The Health Board has implemented a new Power BI Integrated Performance Assurance Report (IPAR), now live for 42 key performance indicators (KPIs), of which 28 (67%) include national benchmarking data. The Internal Audit report "Performance Management Arrangements" (April 2025) returned Substantial Assurance, confirming a sound framework and data-driven culture. However, the Board Maturity Matrix rates Delivery of Outcomes at Level 2, highlighting the need to extend benchmarking to all Tier 1 measures and develop a more comprehensive outcomes dashboard. The full roll-out of these improvements is targeted for December 2025, with regular reporting to ARAC. The outstanding risk relates to embedding outcome-focused reporting at Board level; residual risk is moderate but reducing.

Whilst significant progress has been made in developing the performance management framework and embedding Board-level oversight, a continuing challenge remains around the allocation of roles, responsibilities and resource mapping in support of priority delivery. Given the breadth and complexity of the improvement agenda and the scale of system fragility outlined above, there is a need for increased clarity regarding which individuals and teams are accountable for specific deliverables, and the timeframes for achieving key milestones. This is particularly pertinent in the context of multiple, concurrent priorities across clinical, operational, and enabling domains.

Current frameworks provide the foundation for assurance, but there is scope to further strengthen the alignment between agreed objectives and the deployment of skilled resource. Without robust mapping and clear allocation, there is a risk that critical programmes may not progress at the required pace, or that delivery responsibilities may become diluted among competing demands. The Board and ARAC should therefore retain a clear line of sight not only on performance outcomes, but also on the underpinning accountability and resource arrangements; ensuring that ownership is explicit, delivery is realistically resourced, and any emerging gaps can be escalated and addressed in a timely manner.

ARAC Criteria - Governance and Leadership: Assessment of Progress

Criterion 44: Board is Sighted on Key Risks and Able to Offer Constructive Scrutiny

Assessment - ASSURE

The Board receives the Board Assurance Framework (BAF) and Corporate Risk Register on a quarterly basis, ensuring regular and comprehensive review of principal risks. The Risk Appetite Statement was refreshed in January 2025 and has been operationalised throughout the year. Internal Audit of "Emergency and Business Continuity Planning" (2025) provided Reasonable Assurance and confirmed that all 161 services now have continuity plans in place. The Board's approach to risk management is rated at Level 4 ("Results Achieved") in the Board Maturity Matrix, reflecting the positive impact of scenario testing and action planning. Development of a real-time risk dashboard is in train, with go-live expected in November 2025. No critical gaps are identified; residual risk remains low.

Criterion 45: Clear Governance and Assurance Systems with Effective Escalation

Assessment - ASSURE

A comprehensive review of the Board and Committee governance structure was undertaken in January 2025, resulting in a refreshed escalation protocol, including the "Triple-A" (Alert, Advise, Assure) reporting process. The new structure and terms of reference have streamlined Board and Committee business and are supported by Audit Wales' Structured Assessment 2024, which found Board and Committee conduct to be "appropriate and effective", with improved escalation of high-risk matters. The proportion of private/in-committee business has been reduced to 9% of all agenda items, strengthening transparency. A six-month review of the new structure is scheduled for December 2025. All core elements are in place and residual risk is considered low.

ARAC Criteria - Governance and Leadership: Assessment of Progress

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

Criterion 49: Self-assessment Against the Governance and Leadership Maturity Matrix

Assessment – ASSURE

The Board undertook a detailed self-assessment against the Corporate Governance in Central Government Departments Code of Good Practice 2017 and the updated Maturity Matrix at a seminar in April 2025. The process was externally benchmarked and confirmed as robust, with ARAC receiving a formal Assurance Report in May 2025. Levels were agreed as follows: four criteria at Level 3, two at Level 4, and one at Level 2, reflecting a balanced view of current maturity and ongoing areas for development. The Corporate Governance Code self-assessment confirmed "comply" status across all principles. The Board has committed to repeating the maturity matrix exercise in Q4 2025/26, including independent facilitation. Outstanding action relates only to the next iteration; residual risk is low.

Summary

This assessment demonstrates significant progress in governance and leadership arrangements, with five of six ARAC criteria achieving ASSURE status, indicating robust controls and low residual risk. The single ADVISE rating for performance management appropriately reflects the need for continued development of outcome-focused reporting; acknowledging the substantial assurance provided by Internal Audit but recognising the resource mapping and alignment clarity required.

However, the performance analysis reveals fundamental challenges that require strategic intervention beyond conventional management approaches. All three priority areas show zero historical achievement of targets with statistical probabilities extremely low, indicating fundamental system constraints. These patterns, combined with the emerging financial constraints outlined in our material risk update, create a complex operating environment, requiring careful balance between financial recovery and service sustainability.

2.5 **09:45, 0 Mins**

2.5 - Committee Self-Assessment

DEFERRED to 12 August 2025 meeting

For assurance

2.6

09:45, 5 Mins

2.6 - Annual Review of Committee Terms of Reference

Joanne Wilson (Hywel Dda UHB - Director of Corporate Governance/Board Secretary)

For approval

Attachments

2.6 SBAR ARAC ToRs June 2025.pdf

2.6 Appendix 1 - ARAC Terms of Reference V19.for ARAC approval 24.06.25.pdf

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

PWYLLGOR ARCHWILIO A SICRWYDD RISG
AUDIT AND RISK ASSURANCE COMMITTEE

DYDDIAD Y CYFARFOD: **DATE OF MEETING:**	24 June 2025
TEITL YR ADRODDIAD: **TITLE OF REPORT:**	Audit and Risk Assurance Committee (ARAC) Terms of Reference
CYFARWYDDWR ARWEINIOL: **LEAD DIRECTOR:**	Rhodri Evans, ARAC Chair Joanne Wilson, Director of Corporate Governance/ Board Secretary
SWYDDOG ADRODD: **REPORTING OFFICER:**	Charlotte Wilmshurst, Assistant Director of Assurance and Risk

Pwrpas yr Adroddiad (dewiswch fel yn addas) **Purpose of the Report** (select as appropriate)
Ar Gyfer Penderfyniad/For Decision

ADRODDIAD SCAA
SBAR REPORT

Sefyllfa / Situation

The purpose of this report is to ensure that the Audit and Risk Assurance Committee has clear terms of reference which detail its purpose, boundaries, role, composition and operating arrangements.

The Committee is asked to approve the Audit and Risk Assurance Committee's Terms of Reference for onward ratification by the Board on 31 July 2025.

Cefndir / Background

According to its terms of reference, the Committee must review its terms of reference and operating arrangements on at least an annual basis to ensure they remain fit for purpose. These must be subsequently approved by the Board and will form part of the Health Board's Standing Orders.

The Committee last reviewed its terms of reference and operating arrangements in June 2024, and these were subsequently approved by the Board, on 25 July 2024. The Board also approved the following changes on 28 January 2025 as part of the revised governance arrangements from 1 April 2025:

- 4 x Independent Members per Committee (except Quality, Safety and Experience Committee which will have 5).
- Where Independent Membership has reduced to 4, the quoracy will be amended to 'A quorum shall consist of no less than two of the membership and must include as a minimum the Chairman or Vice-Chairman of the Committee, and one other Independent Member, together with a third of the In Attendance Members.
- Updated job titles, e.g., from Director to Executive Director, Director of Operations to Chief Operating Officer, where appropriate.
- The Director of Corporate Governance will be removed from the In Attendance section however will attend committees (or nominate a deputy) to provide governance advice

and support (except for ARAC).
- Other cosmetic amendments required to standardise Board Committee level terms of reference.

Asesiad / Assessment

The Audit and Risk Assurance Committee Terms of Reference and operating arrangements (Appendix 1) have been reviewed and updated to include any relevant amendments agreed at Board on 30 January 2025, as outlined below. Additional changes are also detailed in the table that follows. These are clearly marked on Appendix 1 and relate to the following:

Section	What has changed?	Why?
2.4.3	Purpose – section amended	Removed reference to specific Committees and reduced narrative as follows: "*Work with other Committees of the Board to ensure that governance and risks are part of an embedded assurance framework that is 'fit for purpose*".
2.5	Purpose – section amended	Wording amended to reflect that governance has been de-escalated from level 4 (Targeted intervention) '*Receive assurance on delivery against the areas of targeted intervention Welsh Government escalation criteria'.* De-escalation criteria updated to reflect new WG Escalation Framework in Appendix 1.
3.7	Key Responsibilities – section amended	New standard wording agreed by Board in January 2025 for Planning Objectives in Committee ToRs as follows: "*Seek assurance on delivery against all Planning Objectives aligned to the Committee, in accordance with the Board approved timescales, as set out in the Health Board's Annual Plan, considering, and scrutinising the plans and programmes that are developed and implemented, supporting and endorsing these as appropriate".*
3.9	Key Responsibilities – section amended	Amended to reflect the change of group name, removed "*Working Group*" and replaced with "*Panel*".
3.16, 5.9 & 8.3	Multiple sections	Narrative updated to reflect the new Internal Audit standards and process.
3.21	Key Responsibilities – section amended	Amended to reflect the establishment of the Joint Commissioning Committee (JCC) from 1 April 2024, which replaced the Welsh Health Specialised Services Committee (WHSSC) and Emergency Ambulance Services Committee (EASC).
4.1	Membership – Independent Member removed	Reduced Independent Members from 3 to 2 (excluding Chair and Vice-Chair), following agreement by Board in January 2025 (Board Goverance arrangements)
4.2	Membership in-Attendance – section amended	Following agreement by Board in January 25, the '*Director of Finance'* job title has been updated from Director to '*Executive Director of Finance'*.

		Remove *'Capital/private Finance Initiative (PFI) Auditor'* as the Head of Internal Audit is the formal Internal Audit representative, who has the discretion to invite individual auditors to support discussions.
5.1	Quorum and Attendance – section amended	Quoracy changed from three to two Independent Members, following agreement by Board in January 2025 (Board Goverance arrangements) This must include as a minimum the Chair or Vice Chair of the Committee, and one other Independent Member.

Argymhelliad / Recommendation

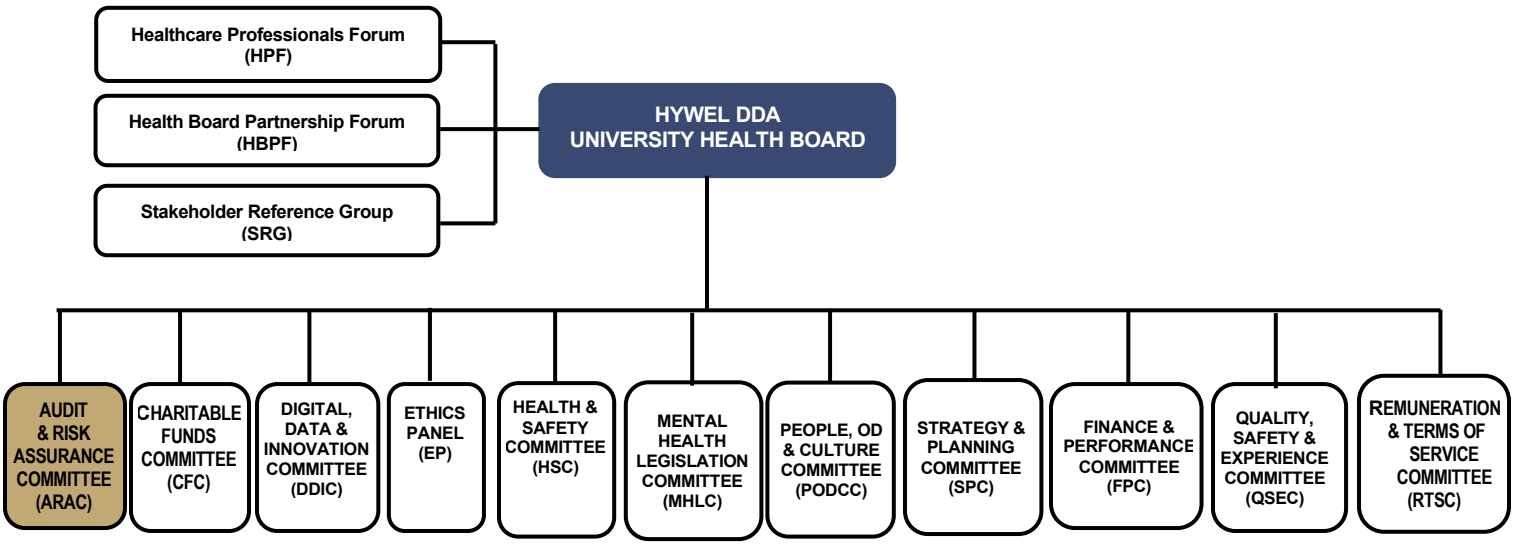
The Audit and Risk Assurance Committee is asked to approve the Audit and Risk Assurance Committee's Terms of Reference (version 19) for onward ratification by the Board on 31 July 2025.

Amcanion: (rhaid cwblhau) **Objectives: (must be completed)**	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	12.1 These terms of reference and operating arrangements shall be reviewed on at least an annual basis by the Committee for approval by the Board.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not applicable
Parthau Ansawdd: Domains of Quality Quality and Engagement Act (sharepoint.com)	Not Applicable
Galluogwyr Ansawdd: Enablers of Quality: Quality and Engagement Act (sharepoint.com)	1. Leadership
Amcanion Strategol y BIP: UHB Strategic Objectives:	Not Applicable
Amcanion Cynllunio Planning Objectives	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2021-2022	10. Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Standing Orders
Rhestr Termau: Glossary of Terms:	Contained within the body of the report
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Archwilio a Sicrwydd Risg Parties / Committees consulted prior to Audit and Risk Assurance Committee:	Director of Corporate Governance/Board Secretary Assistant Director of Assurance and Risk

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	No direct impacts
Ansawdd / Gofal Claf: Quality / Patient Care:	Not applicable
Gweithlu: Workforce:	Not applicable
Risg: Risk:	Not applicable
Cyfreithiol: Legal:	Not applicable
Enw Da: Reputational:	Not applicable
Gyfrinachedd: Privacy:	Not applicable
Cydraddoldeb: Equality:	Not applicable

Welsh Government Escalation Criteria



AUDIT AND RISK ASSURANCE COMMITTEE

TERMS OF REFERENCE

Version	Issued To	Date	Comments
V1	Audit Committee Hywel Dda Health Board Hywel Dda Health Board	08.12.2009 28.01.2010 22.07.2010	Approved Approved Approved
V2	Audit Committee	07.06.2011	Approved
V3	Hywel Dda Health Board	29.09.2011	Approved
V4	Audit Committee	11.09.2012	Approved
V5	Audit Committee	11.08.2015	Approved
V6	Audit and Risk Assurance Committee	13.10.2015	Approved
V7	Hywel Dda University Health Board	26.11.2015	Approved
V8	Audit and Risk Assurance Committee	11.10.2016	Approved
V8	Hywel Dda University Health Board	26.01.2017	Approved
V9	Audit and Risk Assurance Committee	09.01.2018	Approved
V9	Hywel Dda University Health Board	29.03.2018	Approved
V.10	Audit and Risk Assurance Committee	19.02.2019	Approved
V.10	Hywel Dda University Health Board	28.03.2019	Approved
V.11	Audit and Risk Assurance Committee	25.02.2020	Approved
V.11	Hywel Dda University Health Board	26.03.2020	Approved
V.12	Audit and Risk Assurance Committee	23.02.2021	Approved

V.12	Hywel Dda University Health Board	25.03.2021	Approved
V.13	Hywel Dda University Health Board	29.07.2021	Approved
V.14	Audit and Risk Assurance Committee	21.06.2022	Approved
V.14	Hywel Dda University Health Board	28.07.2022	Approved
V.15	Audit and Risk Assurance Committee	18.04.2023	Approved
V.15	Hywel Dda University Health Board	25.05.2023	Approved
V.16	Audit and Risk Assurance Committee	20.02.2024	Approved
V.16	Hywel Dda University Health Board	28.03.2024	Approved
V.17	Audit and Risk Assurance Committee	18.06.2024	Approved
V.17	Hywel Dda University Health Board	25.07.2024	Approved
V.18	Hywel Dda University Health Board	30.01.2025	Approved (alongside the new governance arrangements)
V19	Audit and Risk Assurance Committee	24.06.2025	For approval

AUDIT & RISK ASSURANCE COMMITTEE

1. Constitution

1.1 The Audit Committee has been established as a Committee of the Hywel Dda University Health Board (HDdUHB) and constituted from 1 October 2009. The Committee is an independent Committee of the Board and has no executive powers, other than those specifically delegated in these Terms of Reference. On 1 June 2015, the Committee took on an enhanced role and was re-named the Audit and Risk Assurance Committee (the Committee).

2. Purpose

2.1 The purpose of the Audit and Risk Assurance Committee is to advise and assure the Board and the Accountable Officer on whether effective arrangements are in place, through the design and operation of the Health Board's system of assurance, to support them in their decision taking and in discharging their accountabilities for securing the achievement of the Health Board's objectives, in accordance with the standards of good governance determined for the NHS in Wales.

2.2 The Committee independently monitors, reviews and reports to the Board on the processes of governance, and where appropriate, facilitates and supports, through its independence, the attainment of effective processes.

2.3 Where appropriate, the Committee will advise the Board and the Accountable Officer on where, and how, its system of assurance may be strengthened and developed further.

2.4 The Committee's principal duties encompass the following:

2.4.1 Review the establishment and maintenance of an effective system of good governance, risk management and internal control across the whole of the organisation's activities, both clinical and non-clinical.

2.4.2 Seek assurance that the systems for financial reporting to Board, including those of budgetary control, are effective, and that financial systems processes and controls are operating.

2.4.3 Work with other Committees of the Board ~~the Quality, Safety and Experience Committee, the People Organisational Development and Culture Committee, Strategic Development and Operational Delivery Committee and Sustainable Resources Committee~~ to ensure that governance and risks are part of an embedded assurance framework that is 'fit for purpose'.

2.4.4 Receive an assurance on delivery against relevant Planning Objectives aligned to the Committee accordance with Board approved timescales, as set out in Health Board's Annual Plan.

2.5 Receive assurance on delivery against the areas of ~~targeted intervention~~ Welsh Government escalation criteria, and the required elements for de-escalation, related to governance (see Appendix 1 for additional detail):

~~i. Observation and analysis~~
~~ii. Peer support~~
~~iii. Development of key frameworks~~
~~iv. Board Self-Assessment~~

3. Key Responsibilities

The Audit and Risk Assurance Committee shall provide advice, assurance and support to the Board in ensuring the provision of high quality, safe healthcare for its citizens, as follows:

Governance, Risk Management and Internal Control

3.1 The Committee shall review the adequacy of the Health Board's strategic governance and assurance arrangements and processes for the maintenance of an effective system of good governance, risk management and internal control, across the whole of the organisation's activities (both clinical and non-clinical) that supports the achievement of the organisation's objectives.

3.2 In particular, the Committee will review the adequacy of:

3.2.1 all risk and control related disclosure statements (in particular the Accountability Report and the Performance Report), together with any accompanying Head of Internal Audit statement, external audit opinion or other appropriate independent assurances, prior to endorsement by the Board;

3.2.2 the underlying assurance processes that indicate the degree of the achievement of strategic and planning objectives, the effectiveness of the

management of principal risks and the appropriateness of the above disclosure statements;

3.2.3 the policies for ensuring compliance with relevant regulatory, legal and code of conduct and accountability requirements; and

3.2.4 the policies and procedures for all work related to fraud and corruption as set out in Welsh Government Directions and as required by the Counter Fraud and Security Management Service.

3.3 In carrying out this work, the Committee will primarily utilise the work of Internal Audit, Clinical Audit, External Audit and other assurance functions, but will not be limited to these audit functions. It will also seek reports and assurances from directors and managers as appropriate, concentrating on the overarching systems of good governance, risk management and internal control, together with indicators of their effectiveness.

3.4 This will be evidenced through the Committee's use of an effective assurance framework to guide its work and that of the audit and assurance functions that report to it.

3.5 The Committee will seek assurance that effective systems are in place to manage risk, that the organisation has an effective framework of internal controls to address principal risks (those likely to directly impact on achieving strategic objectives), and that the effectiveness of that framework is regularly reviewed.

3.6 Monitor the assurance environment and challenge the build-up of assurance on the management of key risks across the year, and ensure that the Internal Audit plan is based on providing assurance that controls are in place and can be relied upon (particularly where there is a significant shift between the inherent and residual risk profile), and review the internal audit plan in year as the risk profile changes.

3.7 ~~Seek assurance on delivery against Planning Objectives aligned to the Committee, considering and scrutinising the frameworks, charts/charters and action plans that are developed, supporting and endorsing these as appropriate.~~ Seek assurance on delivery against all Planning Objectives aligned to the Committee, in accordance with the Board approved timescales, as set out in the Health Board's Annual Plan, considering, and scrutinising the plans and programmes that are developed and implemented, supporting and endorsing these as appropriate.

3.8 Consider and recommend to the Board approval of any changes to the Risk Management Framework and oversee development of the Board Assurance Framework.

3.9 Provide assurance with regard to the systems and processes in place for clinical audit, and consider recommendations from the Effective Clinical Practice ~~Working Group~~ Panel on suggested areas of activity for review by internal audit.

3.10 The Committee will be responsible for reviewing the Health Board's Standing Orders and Standing Financial Instructions and Scheme of Delegation annually, (including associated framework documents as appropriate), monitoring compliance, and reporting any proposed changes to the Board for consideration and approval.

3.11 To receive annually a full report of all offers of gifts, hospitality, sponsorship and honoraria recorded by the Health Board and report to the Board the adequacy of these arrangements.

3.12 To review and report to the Board annually the arrangements for declaring, registering, and handling interests.

3.13 Approve the writing-off of losses or the making of special payments within delegated limits.

3.14 Receive an assurance on Post Payment Verification Audits through bi-annual reporting to the Committee.

3.15 Receive a report on all Single Tender Actions and extensions of contracts.

Internal Audit ~~and Capital/PFI~~

3.16 The Committee shall ensure that there is an effective internal audit ~~and capital/PFI function~~ established by management that meets the Global Internal Audit Standards ~~mandatory Internal Audit Standards for NHS Wales~~ and provides appropriate independent assurance to the Committee, Chief Executive and Board. This will be achieved by:

3.16.1 review and approval of the Internal Audit Strategy, Mandate and Charter, ~~operational plan~~ and annual internal audit plan setting out ~~the~~ more detailed programme of work, ensuring that this is consistent with the audit needs of the organisation;

3.16.2 review of the adequacy of executive and management responses to issues identified by audit, inspection and other assurance activity, in accordance with the Charter;

3.16.3 Regular consideration of the major findings of internal audit work (and management's response), and ensure co-ordination between the Internal and External Auditors to optimise audit resources;

3.16.4 ensuring that the Internal Audit function is adequately resourced and has appropriate standing within the organisation; and

3.16.5 annual review of the effectiveness of internal audit.

External Audit

3.17 The Committee shall review the work and findings of the External Auditor and consider the implications and management's responses to their work. This will be achieved by:

3.17.1 discussion and agreement with the External Auditor, before the audit commences, of the nature and scope of the audit as set out in the Annual Plan, and ensure coordination, as appropriate, with other External Auditors and inspection bodies in the local health economy;

3.17.2 discussion with the External Auditors of their local evaluation of audit risks and assessment of the Local Health Boards/NHS Trusts and associated impact on the audit fee;

3.17.3 review all External Audit reports, including agreement of the Annual Audit Report and Structured Assessment before submission to the Board, and any work carried outside the annual audit plan, together with the appropriateness of management responses; and

3.17.4 review progress against the recommendations of the annual Structured Assessment.

Other Assurance Functions

3.18 The Committee shall review the findings of other significant assurance functions, both internal and external to the organisation, and consider the implications on the governance of the organisation.

3.19 The Committee's programme of work will be designed to provide assurance that the work carried out by the whole range of external review bodies is brought to the attention of the Board. This will ensure that the Health Board is aware of the need to comply with related standards and recommendations of these review bodies and the risks of failing to comply. These will include, but will not be limited to, any reviews by Inspectors and other bodies (e.g. Healthcare Inspectorate Wales, Welsh Risk Pool, etc), professional bodies with responsibility for the performance of staff or functions (e.g. Royal Colleges, accreditation bodies, etc).

3.20 The Audit and Risk Assurance Committee and the Quality, Safety and Experience Committee both have a role in seeking and providing assurance on Clinical Audit in the organisation. The Audit and Risk Assurance Committee will seek assurance on the overall plan, its fitness for purpose and its delivery. The Quality, Safety and Experience Committee will seek more detail on the clinical outcomes and improvements made as a result of clinical audit. The internal audit function will also have a role in providing assurance on the Annual Clinical Audit Plan.

3.21 The Audit and Risk Assurance Committee will also seek assurances where a significant activity is shared with another organisation and collaboratives, in particular the NHS Wales Shared Services Partnership, Joint Commissioning Committee, ~~Welsh Health Specialised Services Committee, Emergency Ambulance Services Committee~~ and other regional committees. The Audit and Risk Assurance Committee will expect to receive assurances from internal audit performed at these organisations that risks in the services provided to them are adequately managed and mitigated with appropriate controls.

Management

3.22 The Committee shall request and review reports and positive assurances from directors and managers on the overall arrangements for governance, risk management and internal control.

3.23 The Committee may also request specific reports from individual functions within the organisation (e.g. clinical audit), as they may be appropriate to the overall arrangements.

3.24 The Committee may also request or commission special investigations to be undertaken by Internal Audit, directors or managers to provide specific assurance on any areas of concern that come to its attention.

Financial Reporting

3.25 The Committee shall review the Annual Accounts and Financial Statements before submission to the Board, focusing particularly on:

3.25.1 the ISA 260 report to those charged with governance;
3.25.2 changes in, and compliance with, accounting policies and practices;
3.25.3 unadjusted mis-statements in the financial statements;
3.25.4 major judgemental areas;
3.25.5 significant adjustments resulting from the audit;
3.25.6 other financial considerations include review of the Schedule of Losses and Compensation.

3.26 The Committee should also ensure that the systems for financial reporting to the Board, including those of budgetary control, are subject to review as to completeness and accuracy of the information provided to the Board.

4. Membership

4.1 The membership of the Committee shall comprise of the following:

Member
Independent Member (Chair)
Independent Member (Vice-Chair)
~~3~~ 2 x Independent Members

4.2 The following should attend Committee meetings:

In Attendance
Executive Director of Finance
Director of Corporate Governance/Board Secretary (Lead)
Representative of the Auditor General
Head of Internal Audit
~~Capital/Private Finance Initiative (PFI) Auditor~~
Local Counter Fraud Specialist
Assistant Director of Assurance and Risk
Head of Clinical Audit (as and when required)

4.3 Membership of the Committee will be reviewed on an annual basis.

5. Quorum and Attendance

5.1 A quorum shall consist of no less than ~~three~~ two of the membership and must include as a minimum the Chair or Vice Chair of the Committee, and one other Independent Member, together with a third of the In Attendance members.

5.2 The membership of the Committee shall be determined by the Board, based on the recommendation of the University Health Board (Health Board) Chair, taking into account the balance of skills and expertise necessary to deliver the Committee's remit, and subject to any specific requirements or directions made by the Welsh Government.

5.3 Any senior officer of the Health Board or partner organisation may, where appropriate, be invited to attend, for either all or part of a meeting, to assist with discussions on a particular matter.

5.4 The Committee may also co-opt additional independent external 'experts' from outside the organisation to provide specialist skills.

5.5 Should any 'in attendance' officer member be unavailable to attend, they may nominate a deputy to attend in their place, subject to the agreement of the Chair.

5.6 The Chief Executive, as the Accountable Officer, should be invited to attend, as a minimum when the Committee considers the draft internal audit plan, to present the draft Accountability Report and the annual accounts, and on request by the Committee.

5.7 The Chair of the Health Board should not be a member of the Audit and Risk Assurance Committee and will not normally attend but may be invited by the Committee Chair to attend all or part of a meeting to assist with its discussions on any particular matter.

5.8 The Head of Internal Audit~~/PFI Auditor~~ and the representative of the Auditor General shall have unrestricted and confidential access to the Chair of the Audit and Risk Assurance Committee at any time, and vice versa.

5.9 The Committee will meet with Internal, ~~Capital/PFI~~ and External Auditors and the Local Counter Fraud Specialist without the presence of officers on at least one occasion each year.

5.10 The Chair of the Audit and Risk Assurance Committee shall have reasonable access to Executive Directors and other relevant senior staff.

5.11 The Committee may ask any or all of those who normally attend but who are not members to withdraw to facilitate open and frank discussion of particular matters.

6. Agenda and Papers

6.1 The Committee Secretary is to hold an agenda setting meeting with the Chair and/or Vice Chair and the Lead Director (Board Secretary), at least **six** weeks before the meeting date.

6.2 The agenda will be based around the Committee work plan, identified risks, matters arising from previous meetings, issues emerging throughout the year, and requests from Committee members. Following approval, the agenda and timetable for request of papers will be circulated to all Committee members.

6.3 All papers must be approved by the Lead/relevant Director.

6.4 The agenda and papers will be distributed **seven** days in advance of the meeting.

6.5 A draft Table of Actions will be issued within **two** days of the meeting. The minutes and Table of Actions will be circulated to the Lead Director within **seven** days to check the accuracy, prior to sending to Members (including the Committee Chair) to review within the next **seven** days.

6.6 Members must forward amendments to the Committee Secretary within the next **seven** days. The Committee Secretary will then forward the final version to the Committee Chair for approval.

7. In Committee

7.1 The Committee can operate with an In Committee function to receive updates on the management of sensitive and/or confidential information.

8. Frequency of Meetings

8.1 The Committee will meet bi-monthly and shall agree an annual schedule of meetings. Any additional meetings will be arranged as determined by the Chair of the Committee in discussion with the Lead (Board Secretary).

8.2 The Chair of the Committee, in discussion with the Committee Secretary, shall determine the time and the place of and procedures of such Committee meetings.

8.3 The External Auditor, Head of Internal Audit and ~~Capital/PFI~~ Auditor may request a meeting if they consider one is necessary.

9. Accountability, Responsibility and Authority

9.1 Although the Board has delegated authority to the Committee for the exercise of certain functions, as set out in these Terms of Reference, it retains overall responsibility and accountability for ensuring the quality and safety of healthcare for its citizens through the effective governance of the organisation.

9.2 The Committee is directly accountable to the Board for its performance in exercising the functions set out in these terms of reference.

9.3 The Committee shall embed the ~~s~~ Health Board's vision, corporate standards, priorities and requirements, e.g. equality and human rights, through the conduct of its business.

9.4 The requirements for the conduct of business as set out in the Health Board's Standing Orders are equally applicable to the operation of the Committee.

10. Reporting

10.1 The Committee, through its Chair and members, shall work closely with the Board's other Committees, including joint/sub committees and groups, to provide advice and assurance to the Board through the:

10.1.1 joint planning and co-ordination of Board and Committee business;

10.1.2 sharing of information.

10.2 In doing so, the Committee shall contribute to the integration of good governance across the organisation, ensuring that all sources of assurance are incorporated into the Board's overall risk and assurance framework.

10.3 The Committee may establish sub-committees or task and finish groups to carry out on its behalf specific aspects of Committee business. The Committee will receive an update following each sub-committee or task and finish group meeting detailing the business undertaken on its behalf.

10.4 The Committee will consider the assurance provided through the work of the Board's other Committees and Sub-Committees to meet its responsibilities for advising the Board on the adequacy of the Health Board's overall assurance framework.

10.5 The Committee Chair, supported by the Committee Secretary, shall:

10.5.1 Report formally, regularly and on a timely basis to the Board on the Committee's activities. This includes the submission of a Committee update report as well as the presentation of an annual report within six weeks of the end of the financial year and timed to support the preparation of the Accountability Report. This should specifically comment on the adequacy of the assurance framework, the extent to which risk management is comprehensively embedded throughout the organisation, the integration of governance arrangements and the appropriateness of self-assessment activity against relevant standards. The report will also record the results of the Committee's self-assessment and evaluation.

10.5.2 Bring to the Board's specific attention any significant matter under consideration by the Committee.

10.5.3 Ensure appropriate escalation arrangements are in place to alert the Health Board Chair, Chief Executive or Chairs of other relevant Committee, of any urgent/critical matters that may affect the operation and/or reputation of the Health Board.

10.6 The Board Secretary, on behalf of the Board, shall oversee a process of regular and rigorous self-assessment and evaluation of the Committees performance and operation,

including that of any sub-committees established. In doing so, account will be taken of the requirements set out in the NHS Wales Audit Committee Handbook.

11. Secretarial Support

11.1 The Committee Secretary shall be determined by the Board Secretary.

12. Review Date

12.1 These terms of reference and operating arrangements shall be reviewed on at least an annual basis by the Committee for approval by the Board.

Appendix 1 - WG de-escalation criteria

- Revised standard operating processes in place following the organisational restructure assessed as effective by internal audit.
- Effective oversight and scrutiny of current service provision consistently being provided by the Board and the appropriate Committee as demonstrated by Committee and Board papers, including evidence of Board considering the Duty of Quality to inform their decision making.
- Effective programme and performance management structure is in place, with effective Board oversight and a clear performance and delivery framework that drives improvement.
- Board is sighted on key risks and areas of concern on a regular basis and is able to offer constructive scrutiny on performance and effective oversight and scrutiny.
- Clear governance and assurance systems in place with issues escalated appropriately through clear structures and processes.
- A full and substantive Executive Director Team, with a clear organisational structure in place with robust succession and development plans in place to ensure adequate capacity and capability in all areas of the organisation to deliver high quality, sustainable care.
- Effective leadership programmes are in place to support the ongoing development of leadership and management skills at all levels / professions to strengthen management maturity.
- Positive staff engagement in NHS Wales surveys
- Self-assessment against the governance and leadership maturity matrix with evidence the agreed level.

2.7

09:50, 5 Mins

2.7 - Standing Financial Instructions

Joanne Wilson (Hywel Dda UHB - Director of Corporate Governance/Board Secretary)

For approval

Attachments

2.7 Review of SFIs ARAC June 2025.pdf

2.7 Appendix 1 - LHB Model SFIs June 2025.pdf

PWYLLGOR ARCHWILIO A SICRWYDD RISG
AUDIT AND RISK ASSURANCE COMMITTEE

DYDDIAD Y CYFARFOD: **DATE OF MEETING:**	24 June 2025
TEITL YR ADRODDIAD: **TITLE OF REPORT:**	Review of Standing Financial Instructions (SFIs)
CYFARWYDDWR ARWEINIOL: **LEAD DIRECTOR:**	Joanne Wilson, Director of Corporate Governance/Board Secretary
SWYDDOG ADRODD: **REPORTING OFFICER:**	Joanne Wilson, Director of Corporate Governance/Board Secretary

Pwrpas yr Adroddiad (dewiswch fel yn addas) **Purpose of the Report** (select as appropriate)
Ar Gyfer Penderfyniad/For Decision

ADRODDIAD SCAA
SBAR REPORT

Sefyllfa / Situation

Hywel Dda University Health Board's (HDdUHB's) Standing Financial Instructions (SFIs) have been updated to reflect the changes in the recently issued Welsh Health Circular (WHC/2025/012) – Interim Amendments to the Model Standing Financial Instructions Chapter 11 for Local Health Boards and NHS Trusts in Wales (issued by Welsh Government on 29 May 2025). These are presented to the Audit and Risk Assurance Committee for review, prior to their onward submission to the Board for approval on 31 July 2025.

Cefndir / Background

NHS bodies in Wales must agree Standing Orders (SOs). This, together with a set of SFIs and a scheme of decisions reserved to the Board, a scheme of delegations to officers and others, and a range of other framework documents, set out the arrangements within which the Board, its Committees, Advisory Groups and NHS staff make decisions and carry out their activities.

The Standing Orders and Standing Financial Instructions should be based upon the model determined by the Welsh Government.

In May 2025, the Board approved the amendments to the Model SOs, following a letter received on 30 January 2025 from the Cabinet Secretary for Health and Social Care regarding amendments required to the SOs. Since this approval, the Welsh Government has made amendments to the model SFI documents to comply with the Health Services (Provider Selection Regime) (Wales) Regulations 2025 and the Procurement Act 2023 (and associated subordinate instruments).

The current SFI will now be superseded by the Model Standing Financial Instructions for Local Health Boards (Chapter 11).

Asesiad / Assessment

A review has been undertaken of the Model SFIs for Health Boards with changes made shown in red/strikethrough (Appendix 1).

The key areas to note are:

- Chapter 11 (Procurement and Contracting)
- Schedule 1 (General consent to enter individual contracts)

Argymhelliad / Recommendation

The Audit and Risk Assurance Committee is asked to **RECOMMEND** the revised version of HDdUHB's Standing Financial Instructions to the Board on 31 July 2025 for approval.

Amcanion: (rhaid cwblhau) **Objectives: (must be completed)**	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	3.10 The Committee will be responsible for reviewing the UHB's Standing Orders and Standing Financial Instructions and Scheme of Delegation annually, (including associated framework documents as appropriate), monitoring compliance, and reporting any proposed changes to the Board for consideration and approval
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Included in the body of the report
Parthau Ansawdd: Domains of Quality Quality and Engagement Act (sharepoint.com)	Not Applicable
Galluogwyr Ansawdd: Enablers of Quality: Quality and Engagement Act (sharepoint.com)	Not Applicable
Amcanion Strategol y BIP: UHB Strategic Objectives:	Not Applicable
Amcanion Cynllunio Planning Objectives	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2021-2022	10. Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Model Standing Orders and Standing Financial Instructions
Rhestr Termau: Glossary of Terms:	Included within the body of the report
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Archwilio a Sicrwydd Risg Parties / Committees consulted prior to Audit and Risk Assurance Committee:	Director of Corporate Governance/Board Secretary

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: **Financial / Service:**	Robust governance arrangements underpinning financial management contribute towards internal control and value for money being achieved.
Ansawdd / Gofal Claf: **Quality / Patient Care:**	Where applicable, included within the report
Gweithlu: **Workforce:**	Where applicable, included within the report
Risg: **Risk:**	A sound system of internal control ensures that any risks to the achievement of the Health Board's objectives are identified, assessed and managed.
Cyfreithiol: **Legal:**	Model SOs are issued by Welsh Ministers to Health Boards using powers of direction provided in section 12 (3) of the National Health Service (Wales) Act 2006. Health Boards in Wales must agree SOs for the regulation of their proceedings and business. SOs are designed to translate the statutory requirements set out in the Local Health Boards (Constitution, Membership and Procedures (Wales) Regulations 2009 (S.I 2009/779 W.67)) into day to day operating practice, and, together with the adoption of a Scheme of Decisions reserved to the Boar; a Scheme of Delegations to officers and others; and SFIs, they provide a regulatory framework for the business conduct of the Health Board.
Enw Da: **Reputational:**	Not applicable
Gyfrinachedd: **Privacy:**	No direct impacts
Cydraddoldeb: **Equality:**	The Model SOs and SFIs have been subject to an Equality Impact Assessment as part of the NHS Reform Programme, and the revised SOs were subject to an in house EqIA screening in September 2012, the outcome of which indicated no negative impacts in relation to the Health Board's duties under the Equality Act 2010. A summary report was produced to this effect. The March

	2014 revisions have been scrutinised with no negative impacts identified; therefore, no amendments will be made to the report produced in 2012. The most recent amendments outlined above and attached have been subject to an EqIA Screening, and there is no evidence at this stage of potential adverse impact in relation to equality, diversity or human rights. Should any issues arise at any stage following implementation of the revised SOs, a full EqIA will be undertaken as appropriate

Schedule 2.1

MODEL STANDING FINANCIAL INSTRUCTIONS FOR HYWEL DDA UNIVERSITY LOCAL HEALTH BOARD

This Schedule forms part of, and shall have effect as if incorporated in the Local Health Board Standing Orders (incorporated as Schedule 2.1 of SOs).

Foreword

These Model Standing Financial Instructions are issued by Welsh Ministers to Local Health Boards using powers of direction provided in section 12 (3) of the National Health Service (Wales) Act 2006. Local Health Boards in Wales must agree Standing Financial Instructions (SFIs) for the regulation of their financial proceedings and business. Designed to achieve probity, accuracy, economy, efficiency, effectiveness and sustainability in the conduct of business, they translate statutory and Welsh Government financial requirements for the NHS in Wales into day to day operating practice. Together with the adoption of Standing Orders (SOs), a Scheme of decisions reserved to the Board and a scheme of delegations to officers and others, they provide the regulatory framework for the business conduct of the LHB.

These documents form the basis upon which the LHB's governance and accountability framework is developed and, together with the adoption of the LHB's Values and Standards of Behaviour framework, is designed to ensure the achievement of the standards of good governance set for the NHS in Wales.

All LHB Board members and officers must be made aware of these Standing Financial Instructions and, where appropriate, should be familiar with their detailed content. The Director of Finance will be able to provide further advice and guidance on any aspect of the Standing Financial Instructions. The Director of Corporate Governance/Board Secretary will be able to provide further advice and guidance on the wider governance arrangements within the LHB. Further information on governance in the NHS in Wales may be accessed at https://nwssp.nhs.wales/all-wales-programmes/governance-e-manual/

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Schedule 1

Hywel Dda University Local Health Board

1. INTRODUCTION

1.1 General

1.1.1 These Model Standing Financial Instructions are issued by Welsh Ministers to Local Health Boards using powers of direction provided in section 12 (3) of the National Health Service (Wales) Act 2006. Local Health Boards (LHBs) in Wales must agree Standing Financial Instructions (SFIs) for the regulation of their financial proceedings and business. They shall have effect as if incorporated in the Standing Orders (SOs) (incorporated as Schedule 2.1of SOs).

1.1.2 These SFIs detail the financial responsibilities, policies and procedures adopted by Hywel Dda University LHB (the LHB). They are designed to ensure that the LHB's financial transactions are carried out in accordance with the law and with Welsh Government policy in order to achieve probity, accuracy, economy, efficiency, effectiveness and sustainability. They should be used in conjunction with the Schedule of decisions reserved to the Board and the Scheme of delegation adopted by the LHB.

1.1.3 These SFIs identify the financial responsibilities which apply to everyone working for the LHB and its constituent organisations. They do not provide detailed procedural advice and should be read in conjunction with the detailed departmental and financial control procedure notes. All financial procedures must be approved by the Director of Finance and ~~Sustainable Resources~~ Finance and Performance Committee.

1.1.4 Should any difficulties arise regarding the interpretation or application of any of the SFIs then the advice of the Director of Corporate Governance/Board Secretary or Director of Finance must be sought before acting. The user of these SFIs should also be familiar with and comply with the provisions of the LHB's SOs.

1.2 Overriding Standing Financial Instructions

1.2.1 Full details of any non-compliance with these SFIs, including an explanation of the reasons and circumstances must be reported in the first instance to the Director of Finance and the Director of Corporate Governance/Board Secretary, who will ask the Audit Committee to formally consider the matter and make proposals to the Board on any

action to be taken. All Board members and LHB officers have a duty to report any non-compliance to the Director of Finance and Director of Corporate Governance/Board Secretary as soon as they are aware of any circumstances that has not previously been reported.

1.2.2 **Ultimately, the failure to comply with SFIs and SOs is a disciplinary matter that could result in an individual's dismissal from employment or removal from the Board.**

1.3 Financial provisions and obligations of LHBs

1.3.1 The financial provisions and obligations for LHBs are set out under Sections 174 to 177 of, and Schedule 8 to, the National Health Service (Wales) Act 2006 (c. 42). The Board as a whole and the Chief Executive in particular, in their role as the Accountable Officer for the organisation, must ensure the LHB meets its statutory obligation to perform its functions within the available financial resources.

2. RESPONSIBILITIES AND DELEGATION

2.1 The Board

2.1.1 The Board exercises financial supervision and control by:

a) Formulating and approving the Medium-Term Financial Plan (MTFP) as part of developing and approving the Integrated Medium-Term Plan (IMTP);

b) Requiring the submission and approval of balanced budgets within approved allocations/overall funding

c) Defining and approving essential features in respect of important financial policies, systems and financial controls (including the need to obtain value for money and sustainability); and

d) Defining specific responsibilities placed on Board members and LHB officers, and LHB committees and Advisory Groups as indicated in the 'Scheme of delegation' document.

2.1.2 The Board has resolved that certain powers and decisions may only be exercised by the Board in formal session. These are set out in the 'Schedule of matters reserved to the Board' document. The Board, subject to any directions that may be made by Welsh Ministers, shall make appropriate arrangements for certain functions to be carried out on its behalf so that the day to day business of the Health Board may be carried out effectively, and in a manner that secures the achievement of the organisation's aims and objectives. This will be via powers and authority delegated to committees, sub-committees, joint committees or joint sub-committees that the LHB has established or to an officer of the LHB in accordance with the 'Scheme of delegation' document adopted by the LHB.

2.2 The Chief Executive and Director of Finance

2.2.1 The Chief Executive and Director of Finance will, as far as possible, delegate their detailed responsibilities, but they remain accountable for financial control.

2.2.2 Within the SFIs, it is acknowledged that the Chief Executive is ultimately accountable to the Board, and as Accountable Officer, to the Welsh Government, for ensuring that the Board meets its obligation to perform its functions within the available financial resources. The Chief Executive has overall executive responsibility for the LHB's activities; is responsible to the Chair and the Board for ensuring that financial

provisions, obligations and targets are met; and has overall responsibility for the LHB's system of internal control.

2.2.3 It is a duty of the Chief Executive to ensure that Board members and LHB officers, and all new appointees are notified of, and put in a position to understand their responsibilities within these SFIs.

2.3 The Director of Finance

2.3.1 The Director of Finance is responsible for:

a) Implementing the LHB's financial policies and for co-coordinating any corrective action necessary to further these policies;

b) Maintaining an effective system of internal financial control including ensuring that detailed financial control procedures and systems incorporating the principles of separation of duties and internal checks are prepared, documented and maintained to supplement these instructions;

c) Ensuring that sufficient records are maintained to show and explain the LHB's transactions, in order to disclose, with reasonable accuracy, the financial position of the LHB at any time; and

d) Without prejudice to any other functions of the LHB, and Board members and LHB officers, the duties of the Director of Finance include:

(i) the provision of financial advice to other Board members and LHB officers, and LHB Committees and Advisory Groups,

(ii) the design, implementation and supervision of systems of internal financial control, and

(iii) the preparation and maintenance of such accounts, certificates, estimates, records and reports as the LHB may require for the purpose of carrying out its statutory duties.

2.3.2 The Director of Finance is responsible for ensuring an ongoing training and communication programme is in place to affect these SFIs.

2.4 Board members and LHB officers, and LHB Committees and Advisory Groups

2.4.1 All Board members and LHB officers, and LHB Committees and Advisory Groups, severally and collectively, are responsible for:

a) The security of the property of the LHB;

b) Avoiding loss;

c) Exercising economy, efficiency and sustainability in the use of resources; and

d) Conforming to the requirements of SOs, SFIs, Financial Control Procedures and the Scheme of delegation.

2.4.2 For all Board members and LHB officers, and LHB Committees and Advisory Groups who carry out a financial function, the form in which financial records are kept and the manner in which members of the Board, Committees, Advisory Groups and employees discharge their duties must be to the satisfaction of the Director of Finance.

2.5 Contractors and their employees

2.5.1 Any contractor or employee of a contractor who is empowered by the LHB to commit the LHB to expenditure or who is authorised to obtain income shall be covered by these instructions. It is the responsibility of the Chief Executive to ensure that such persons are made aware of this.

3. AUDIT, FRAUD AND CORRUPTION, AND SECURITY MANAGEMENT

3.1 Audit Committee

3.1.1 An independent Audit Committee is a central means by which a Board ensures effective internal control arrangements are in place. In addition, the Audit Committee provides a form of independent check upon the executive arm of the Board. In accordance with SOs the Board shall formally establish an Audit Committee with clearly defined terms of reference. Detailed terms of reference and operating arrangements for the Audit Committee are set out in Schedule 3 to the SOs. This committee will follow the guidance set out in the NHS Wales Audit Committee Handbook.

nwssp.nhs.wales/a-wp/governance-e-manual/governance-e-manual-documents/useful-documents/nhs-wales-audit-committee-handbook-june-2012/

3.2 Chief Executive

3.2.1 The Chief Executive is responsible for:

a) Ensuring there are arrangements in place to review, evaluate and report on the effectiveness of internal financial control including the establishment of an effective Internal Audit function;

b) Ensuring that the Internal Audit function meets the Public Sector Internal Audit Standards and provides sufficient independent and objective assurance to the Audit Committee and the Accountable Officer;

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/641252/PSAIS_1_April_2017.pdf

c) Deciding at what stage to involve the police in cases of misappropriation and other irregularities not involving fraud or corruption;

d) Ensuring that an annual Internal Audit report is prepared for the consideration of the Audit Committee and the Board. The report must cover:

- a clear opinion on the effectiveness of internal control in accordance with the requirements of the Public Sector Internal

Audit Standards.

- major internal financial control weaknesses discovered,
- progress on the implementation of Internal Audit recommendations,
- progress against plan over the previous year,
- a strategic audit plan covering the coming three years, and
- a detailed plan for the coming year.

3.2.2 The designated internal and external audit representatives are entitled (subject to provisions in the Data Protection Act 2018 and the UK General Data Protection Legislation) without necessarily giving prior notice to require and receive:

a) Access to all records, documents and correspondence relating to any financial or other relevant transactions, including documents of a confidential nature;

b) Access at all reasonable times to any land or property owned or leased by the LHB;

c) Access at all reasonable times to Board members and LHB officers;

d) The production of any cash, stores or other property of the LHB under a Board member or a LHB official's control; and

e) Explanations concerning any matter under investigation.

3.3 Internal Audit

3.3.1 The Accountable Officer Memorandum requires the Chief Executive to have an internal audit function that operates in accordance with the standards and framework set for the provision of Internal Audit in the NHS in Wales. This framework is defined within an Internal Audit Charter that incorporates a definition of internal audit, a code of ethics and Public Sector Internal Audit Standards. Standing Order 10.1 details the relationship between the Head of Internal Audit and the Board. The role of the Audit Committee in relation to Internal Audit is set out within its Terms of Reference, incorporated in Schedule 3 of the SOs, and the NHS Wales Audit Committee Handbook.

3.4 External Audit

3.4.1 Pursuant to the Public Audit (Wales) Act 2004 (c. 23), the Auditor General for Wales (Auditor General) is the external auditor of the LHB. The Auditor General may nominate his representative to represent him within the LHB and to undertake the required audit work. The cost of the audit is paid for by the LHB. The LHB's Audit Committee must ensure that a cost-efficient external audit service is delivered. If there are any problems relating to the service provided, this should be raised with the Auditor General's representative and referred on to the Auditor General if the issue cannot be resolved.

3.4.2 The objectives of the external audit fall under three broad headings, to review and report on:

a) Whether the expenditure to which the financial statements relate has been incurred lawfully and in accordance with the authority that governs it;

b) The audited body's financial statements, and on its Annual Governance Statement and remuneration report [1];

c) Whether the audited body has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

3.4.3 The Auditor General's representatives will prepare a risk-based annual audit plan, designed to deliver the Auditor General's objectives, for consideration by the Audit Committee. The annual plan will set out details of the work to be carried out, providing sufficient detail for the Audit Committee and other recipients to understand the purpose and scope of the defined work and their level of priority. The Audit Committee should review the annual plan and the associated fees, although in so doing it needs to recognise the statutory duties of the Auditor General. The annual audit plan should be kept under review to identify any amendment needed to reflect changing priorities and emerging audit needs. The Audit Committee should consider material changes to the annual audit plan.

3.4.4 The Auditor General's representative should be invited to attend every Audit Committee meeting. The cycle of approving and monitoring the progress of external audit plans and reports, culminating in the opinion

[1] Note: The Healthcare Inspectorate Wales will review and report on the Annual Quality Statement.

on the annual report and accounts, is central to the core work of the Audit Committee.

3.4.5 The Auditor General's representatives will liaise with Internal Audit when developing the external audit plan. The Auditor General's representative will ensure that planned external audit work takes into account the work of Internal Audit to avoid duplication wherever possible and considers where Internal Audit work can be relied upon for opinion purposes.

3.4.6 The Auditor General and his representatives shall have a right of access to the Chair of the Audit Committee at any time.

3.4.7 The Government of Wales Act 2006 (GOWA) provides that the Auditor General has statutory rights of access to all documents and information, as set out in paragraph 3.2.2a of these SFIs, that relate to the exercise of many of his core functions, including his statutory audit of accounts, value for money examinations and improvement studies. The rights of access include access to confidential information; personal information as defined by the Data Protection Act 2018 and the UK General Data Protection Legislation; information subject to legal privilege; personal information and sensitive personal information that may otherwise be subject to protection under the European Convention of Human Rights; information held by third parties; and electronic files and IT systems. Paragraph 17 of Schedule 8 to GOWA operates to provide the Auditor General with a right of access to every document relating to the LHB that appears to him to be necessary for the discharge of any of these functions. Paragraph 17(3) of Schedule 8 also requires any person that the Auditor General thinks has information related to the discharge of his functions to give any assistance, information and explanation that he thinks necessary. It also requires such persons to attend before the Auditor General and to provide any facility that he and his representatives may reasonably require, such as audit accommodation and access to IT facilities. The rights apply not just to the LHB and its officers and staff, but also to, among others, suppliers to the LHB.

3.4.8 The Auditor General's independence in the exercise of his audit functions is protected by statute (section 8 of the Public Audit (Wales) Act 2013), and audit independence is required by professional and ethical standards. Accordingly, the LHB (including its Audit Committee) must be careful not to seek to fetter the Auditor General's discretion in the exercise of his functions. While the LHB may offer comments on the plans and outputs of the Auditor General, it must not seek to direct the Auditor General.

3.4.9 The Auditor General will issue a number of reports over the year, some

of which are specified in the Auditor General's Code of Audit and Inspection Practice and International Standards on Auditing. Other reports will depend on the contents of the audit plan.

The main mandatory reports are:

- Report to those charged with governance (incorporating the report required under ISA 260) that sets out the main issues arising from the audit of the financial statements and use of resources work
- Statutory report and opinion on the financial statements
- Annual audit report.

In addition to these reports, the Auditor General may prepare a report on a matter the Auditor General considers would be in the public interest to bring to the public's attention; or make a referral to the Welsh Ministers if significant breaches occur.

3.4.10 The Auditor General also has statutory powers to undertake Value for Money Examinations and Improvement Studies within the LHB and other public sector bodies. At LHBs he also undertakes a Structured Assessment to help him assess whether there are proper arrangements for securing economy, efficiency and effectiveness in the use of resources. The Auditor General will take account of audit work when planning and undertaking such examinations and studies. The Auditor General and his representatives have the same access rights in relation to these examinations and studies as they do in relation to annual audit work.

3.5 Fraud and Corruption

3.5.1 In line with their responsibilities, the LHB Chief Executive and Director of Finance shall monitor and ensure compliance with Directions issued by the Welsh Ministers on fraud and corruption.

3.5.2 The LHB shall nominate a suitable person to carry out the duties of the Local Counter Fraud Specialist (LCFS) as specified by Directions to NHS bodies on Counter Fraud Measures 2005 (as amended). nwssp.nhs.wales/ourservices/counter-fraud-service/counter-fraud-service-documents/counter-fraud-services-in-nhs-wales/

3.5.3 The LCFS shall report to the LHB Director of Finance and the LCFS must work with NHS Counter Fraud Authority (NHSCFA) and the NHS Counter Fraud Service Wales (CFSW) Team in accordance with the

Directions to NHS bodies on Counter Fraud Measures 2005.

3.5.4 The LCFS will provide a written report to the Director of Finance and Audit Committee, at least annually, on proactive and reactive counter fraud work within the LHB.

3.5.5 The LHB must participate in the annual National Fraud Initiative (NFI) led by Audit Wales and must provide the necessary data for the mandatory element of the NFI by the due dates. The LHB should participate in appropriate risk measurement or additional dataset matching exercise in order to support the detection of fraud across the whole public sector.

3.6 Security Management

3.6.1 In line with their responsibilities, the LHB Chief Executive will monitor and ensure compliance with Directions issued by the Welsh Ministers on NHS security management.

3.6.2 The Chief Executive has overall responsibility for controlling and coordinating security.

4. FINANCIAL DUTIES

4.1 Legislation and Directions

4.1.1 The Health Board has two statutory financial duties, the basis for which is section 175 of the National Health Service (Wales) Act 2006, as amended by the National Health Service Finance (Wales) Act 2014. Those duties are then set out and retained in the Welsh Health Circular "WHC/2016/054 - Statutory Financial Duties of Local Health Boards and NHS Trusts." They are as follows:

- First Duty - A duty to secure that its expenditure, which is attributable to the performance by it of its functions, does not exceed the aggregate of the funding allotted to it over a period of 3 financial years.
- Second Duty - A duty to prepare a plan to secure compliance with the first duty while improving the health of the people for whom it is responsible, and the provision of health care to such people, and for that plan to be submitted to and approved by the Welsh Ministers.

4.1.2 The details and requirements for the two duties are set out in the Welsh Health Circular "WHC/2016/054 - Statutory Financial Duties of Local Health Boards and NHS Trusts." Full details of the WHC can be obtained by contacting the HSSG Director of Finance at

hywel.jones38@gov.wales

4.2 First Financial Duty – The Breakeven Duty

4.2.1 The Health Board has a statutory duty to secure that its expenditure does not exceed the aggregate of the funding allotted to it over a period of 3 financial years, that is to breakeven over a 3-year rolling period.

4.2.2 Welsh Government will determine revenue and capital allocations prior to the start of each financial year and notify Health Boards.

4.2.3 Health Boards must ensure their boards approve balanced revenue and capital plans in line with their notified allocations before the start of each financial year.

4.2.4 The Director of Finance of the LHB will:

a) Prior to the start of each financial year submit to the Board for approval a report showing the total allocations received, assumed in-year allocations and other adjustments and their proposed

distribution to delegated budgets, including any sums to be held in reserve;

b) Ensure that any ring-fenced or non-discretionary allocations are disbursed in accordance with Welsh Ministers' requirements;

c) Periodically review any assumed in-year allocations to ensure that these are reasonable and realistic; and

d) Regularly update the Board on significant changes to the initial allocations and the application of such funds.

4.2.5 The Chief Executive has overall executive responsibility for the LHB's activities and is responsible to the Board for ensuring that it meets its First Financial Duty.

4.3. Second Financial Duty – The Planning Duty

4.3.1 The Health Board has a statutory duty to prepare a plan, the Integrated Medium Term Plan (IMTP), to secure compliance with the first duty while improving the health of the people for whom it is responsible, and the provision of health care to such people, and for that plan to be submitted to and approved by the Welsh Ministers**.**

4.3.2 The Integrated Medium-Term Plan must reflect longer-term planning and delivery objectives and should be continually reviewed based on latest Welsh Government policy and local priority requirements. The Integrated Medium-Term Plan, produced and approved annually, will be 3 year rolling plans. In particular the Integrated Medium-Term Plan must reflect the Welsh Ministers' priorities and commitments as detailed in the NHS Planning Framework published annually by Welsh Government.

4.3.3 The NHS Planning Framework directs Local Health Boards to develop, approve and submit an Integrated Medium-Term Plan (IMTP) for approval by Welsh Ministers. The plan must

- describe the context, including population health needs, within which the Health Board will deliver key policy directives from Welsh Government.
- demonstrate how the Health Board are
  - delivering their well-being objectives, including how the five ways of working have been applied
  - contributing to the seven Well-being Goals,
  - establishing preventative approaches across all care and services
- demonstrate how the Health Board will utilise its existing services

and resources, and planned service changes, to deliver improvements in population health and clinical services, and at the same time demonstrate improvements to efficiency of services.
- demonstrate how the three-year rolling financial breakeven duty is to be achieved.

4.3.4 An Integrated Medium Term Plan should be based on a reasonable expectation of future service changes, performance improvements, workforce changes, demographic changes, capital, quality, funding, income, expenditure, cost pressures and savings plans to ensure that the Integrated Medium Term Plan (including a balanced Medium Term Financial Plan) is balanced and sustainable and supports the safe and sustainable delivery of patient centred quality services.

4.3.5 The Integrated Medium-Term Plan will be the overarching planning document enveloping component plans and service delivery plans. The Integrated Medium-Term Plan will incorporate the balanced Medium Term Financial Plan and will incorporate the LHB's response to delivering the

- NHS Planning Framework,
- Quality, governance and risk frameworks and plans and
- Outcomes Framework

4.3.6 The Integrated Medium-Term Plan will be developed in line with the NHS Planning Framework and include:

- A statement of significant strategies and assumptions on which the plans are based;
- Details of major changes in activity, service delivery, service and performance improvements, workforce, revenue and capital resources required to achieve the plans; and
- Profiled activity, service, quality, workforce and financial schedules.
- Detailed plans to deliver the NHS Planning Framework and quality, governance and risk requirements and outcome measures;

4.3.7 The Chief Executive has overall executive responsibility to develop and submit to the Board, on an annual basis, the rolling 3 year Integrated Medium Term Plan (IMTP).

4.3.8 The Board will:

a) Approve the Integrated Medium-Term Plan prior to the beginning of the financial year of implementation and in accordance with the guidance issued annually by Welsh Government. Following Board

approval, the Plan will be submitted to Welsh Government prior to the beginning of the financial year of implementation.

b) Approve a balanced Medium Term Financial Plan as part of the Integrated Medium-Term Plan, which meets all financial duties, probity and value for money requirements; and

c) Prepare and agree with the Welsh Government a robust and sustainable recovery plan in accordance with Welsh Ministers' guidance where the LHB plan is not in place or in balance.

4.3.9 The Board approved Integrated Medium-Term Plan will be submitted to Welsh Government, for approval by the Minister, in line with the requirements set out in the NHS Planning Framework.

4.3.10 The finalised approved Integrated Medium-Term Plan will form the basis of the Performance Agreement between the LHB and Welsh Government.

5. FINANCIAL MANAGEMENT AND BUDGETARY CONTROL

5.1. Budget Setting

5.1.1 Prior to the start of the financial year the Director of Finance will, on behalf of the Chief Executive, prepare and submit budgets for approval and delegation by the Board. Such budgets will:

a) Be in accordance with the aims and objectives set out in the Board approved Integrated Medium-Term Plan, and Medium-Term Financial Plan, and focussed on delivery of improved population health, safe patient centred quality services;

b) Be in line with Revenue, Capital, Commissioning, Activity, Service, Quality, Performance, and Workforce plans contained within the Board approved balanced IMTP;

c) Take account of approved business cases and associated revenue costs and funding;

d) Be produced following discussion with appropriate Directors and budget holders;

e) Be prepared within the limits of available funds;

f) Take account of ring-fenced, specified and non-recurring

allocations and funding;

g) Include both financial budgets (£) and workforce establishment budgets (budgeted whole-time equivalents)

h) Be within the scope of activities and authority defined by the National Health Service (Wales) Act 2006, including pooled budget arrangements;

i) Identify available reserves;

j) Take account of the principles of Well-being of Future Generations (Wales) Act 2015 including the seven Well-being Goals and the five ways of working; and

k) Identify potential risks and opportunities.

5.2. Budgetary Delegation

5.2.1 The Chief Executive may delegate, via the Director of Finance, the management of a budget to permit the performance of a defined range of activities, including pooled budget arrangements under Regulations made in accordance with section 33 of the National Health Service (Wales) Act 2006 (c. 42). This delegation must be in writing, in the form of a letter of accountability, and be accompanied by a clear definition of:

a) The amount of the budget;
b) The purpose(s) of each budget heading;
c) Individual or committee responsibilities;
d) Arrangements during periods of absence;
e) Authority to exercise virement;
f) Achievement of planned levels of service; and
g) The provision of regular reports.

The budget holder must sign the accountability letter formally delegating the budget.

5.2.2 The Chief Executive, Director of Finance and delegated budget holders must not exceed the budgetary total or virement limits set by the Board.

5.2.3 Budgets must only be used for the purposes designated, and any budgeted funds not required for their designated purpose(s) revert to the immediate control of the Chief Executive, subject to any authorised use of virement.

5.2.4 Non-recurring budgets should not be used to finance recurring expenditure without the authority in writing of the Chief Executive, as advised by the Director of Finance.

5.2.5 All budget holders must provide information as required by the Director of Finance to enable budgets to be compiled and managed appropriately.

5.2.6 All budget holders will sign up to their allocated budgets at the commencement of the financial year.

5.2.7 The Director of Finance has a responsibility to ensure that appropriate and timely financial information is provided to budget holders and that adequate training is delivered on an on-going basis to assist budget holders managing their budgets successfully.

5.3. Financial Management, Reporting and Budgetary Control

5.3.1 The Director of Finance shall monitor financial performance against budget and plans and report the current and forecast position, and financial risks, on a monthly basis and at every Board meeting. Any significant variances should be reported to LHB Board as soon as they come to light and the Board shall be advised on any recommendations and action to be taken in respect of such variances.

5.3.2 The Director of Finance will devise and maintain systems of financial management, performance reporting and budgetary control. These will include:

a) Regular financial reports, for revenue and capital, to the Board in a form approved by the Board containing sufficient information for the Board to:

- Understand the current and forecast financial position
- Evaluate risks and opportunities
- Use insight to make informed decisions
- Be consistent with other Board reports, and as a minimum the reports will cover:
    - Current and forecast year end position on statutory financial duties
    - Actual income and expenditure to date compared to budget and showing trends and run rates
    - Forecast year end positions
    - A statement of assets and liabilities, including analysis of cash flow and movements in working capital.
    - Explanations of material variances from plan

- Capital expenditure and projected outturn against plan
- Investigations and reporting of variances from financial, activity and workforce budgets.
- Details of corrective actions being taken, as advised by the relevant budget holder and the Chief Executive's and/or Director of Finance's view of whether such actions are sufficient to correct the situation;
- Statement of performance against savings targets
- Key workforce and other cost drivers
- Income and expenditure run rates, historic trends, extrapolation and explanations
- Clear assessment of risks and opportunities

- Provide a rounded and holistic view of financial and wider organisational performance.

b) The issue of regular, timely, accurate and comprehensible advice and financial reports to each delegated budget holder, covering the areas for which they are responsible;

c) An accountability and escalation framework to be established for the organisation to formally address material budget variances

d) Investigation and reporting of variances from financial, activity and workforce budgets;

e) Monitoring of management action to correct variances;

f) Arrangements for the authorisation of budget transfers and virements.

5.3.3 Each Budget Holder will

- be held to account for managing services within the delegated budget
- investigate causes of expenditure and budget variances using information from activity, workforce and other relevant sources
- develop plans to address adverse budget variances.

5.3.4 Each Budget Holder is responsible for ensuring that:

a) Any likely overspending or reduction of income that cannot be met by virement is not incurred without the prior consent of the Chief Executive subject to the Board's scheme of delegation;

b) The amount provided in the approved budget is not used in whole or in part for any purpose other than that specifically authorised, subject to the rules of virement;

c) No permanent employees are appointed without the approval of the Chief Executive other than those provided for within the available resources and workforce establishment as approved by the Board.

5.3.5 The Chief Executive is responsible for identifying and implementing cost and efficiency improvements and income generation initiatives in accordance with the requirements of the Medium-Term Financial Plans and SFI 9.1.

5.4. Capital Financial Management, Reporting and Budgetary Control

5.4.1 The general rules applying to revenue Financial Management, Reporting and Budgetary Control delegation and reporting shall also apply to capital plans, budgets and expenditure subject to any specific reporting requirements required by the Welsh Ministers.

5.5 Reporting to Welsh Government - Monitoring Returns

5.5.1 The Chief Executive is responsible for ensuring that the appropriate monitoring returns are submitted to the Welsh Ministers in accordance with published guidance and timescales.

5.5.2 All monitoring returns must be supported by a detailed commentary signed by the Director of Finance and Chief Executive. This commentary should also highlight and quantify any significant risks with an assessment of the impact and likelihood of these risks maturing.

5.5.3 All information made available to the Welsh Ministers should also be made available to the Board. There must be consistency between the Medium-Term Financial Plan, budgets, expenditure, forecast position and risks as reported in the monitoring returns and monthly Board reports.

6. ANNUAL ACCOUNTS AND REPORTS

6.1 The Board must approve the LHB's annual accounts prior to submission to the Welsh Ministers and the Auditor General for Wales in accordance with the annual timetable.

6.2 The Chair and Chief Executive have responsibility for signing the accounts on behalf of the LHB. The Chief Executive has responsibility for signing the Performance Report, Accountability Report, Statement of Financial Position and the Governance Statement.

6.3 The Director of Finance, on behalf of the LHB, is responsible for ensuring that financial reports and returns are prepared in accordance with the accounting policies, guidance and timetable determined by the Welsh Ministers, as per Welsh Government's Manual for Accounts, and consistent with Financial Reporting Manual (FReM) and International Financial Reporting Standards.

6.4 The LHB's annual accounts must be audited by the Auditor General for Wales. The LHB's audited annual accounts must be adopted by the Board at a public meeting and made available to the public.

6.5 The LHB will publish an annual report, in accordance with guidelines on local accountability, and present it at its Annual General Meeting. The Director of Corporate Governance/Board Secretary will ensure that the Annual Report is prepared in line with the Welsh Government's Manual for Accounts. The Annual Report will include

- The Accountability Report containing:
    - Corporate Governance Report
    - Remuneration Report and Staff Report
    - Accountability and Audit Report

- The Performance Report, which must include:
    - An overview
    - A performance Analysis

7. BANKING ARRANGEMENTS

7.1 General

7.1.1 The Director of Finance is responsible for managing the LHB's banking arrangements and for advising the Board on the provision of banking services and operation of accounts. This advice will take into account guidance/Directions issued from time to time by the Welsh Ministers. LHBs are required to use the Government Banking Service (GBS) for its banking services.

7.1.2 The Board shall approve the banking arrangements.

7.2 Bank Accounts

7.2.1 The Director of Finance is responsible for:

a) Establishing bank accounts and ensuring that the Government Banking Service is utilised for main Health Board business transactions;

b) Establishing additional commercial accounts only exceptionally and where there is a clear rationale for not utilising the Government Banking Service;

c) Establishing separate bank accounts for the LHB's non-exchequer funds;

d) Ensuring payments made from bank accounts do not exceed the amount credited to the account except where arrangements have been made;

e) Ensuring accounts are not overdrawn except in exceptional and planned situations.

f) Reporting to the Board all arrangements made with the LHB's bankers for accounts to be overdrawn;

g) Monitoring compliance with Welsh Ministers' guidance on the level of cleared funds.

7.2.2 With the exception of Project Bank Accounts, all bank accounts should be held in the name of the LHB. No officer other than the Director of Finance shall open any account in the name of the LHB or for the purposes of furthering LHB activities.

7.2.3 Any Project Bank Account that is required may be held jointly in the name of the LHB and the relevant third-party contractor.

7.3 Banking Procedures

7.3.1 The Director of Finance will prepare detailed instructions on the operation of bank accounts, that ensure there are sound controls over the day-to-day operation of bank accounts, which must include:

a) The conditions under which each bank account is to be operated;

b) Those authorised to sign cheques or other orders drawn on the LHB's accounts.

c) Effective divisions of duty for employees working within the banking and treasury management function to minimise the risk of fraud and error.

d) Authorised signatories are identified with sufficient seniority, and in the case of e banking approvers, together with an appropriate payment approval hierarchy.

e) Procedures are in place for prompt banking of money received.

f) Ensure there are physical security arrangements in place for cheque stationery, e banking access devices and payment cards.

g) Cheques and payable orders are treated as controlled stationery with management responsibility given to a duly designated employee.

h) Frequent reconciliations are undertaken between cash books, bank statements and the general ledger so that all differences are fully understood and accounted appropriately.

i) Commercial bank accounts should only be used exceptionally where there is a sound rationale and demonstrates value for money. Commercial accounts should be procured through a tendering exercise and the outcome reported to the Audit Committee on behalf of the Board.

7.3.2 The Director of Finance must advise the LHB's bankers in writing of the conditions under which each account will be operated.

7.3.3 The Director of Finance shall approve security procedures for any payable orders issued without a hand-written signature e.g. automatically printed. All Payable Orders shall be treated as controlled

stationery, in the charge of a duly designated officer controlling their issue.

7.4 Review

7.4.1 The Director of Finance will review banking arrangements of the LHB at regular intervals to ensure they reflect best practice, that they are efficient and effective and represent best value for money. The results of the review should be reported to the Audit Committee.

8. CASH, CHEQUES, PAYMENT CARDS AND OTHER NEGOTIABLE INSTRUMENTS

8.1 General

8.1.1 The Director of Finance is responsible for:

a) Approving the form of all receipt books, agreement forms, or other means of officially acknowledging or recording monies received or receivable;

b) Ordering and securely controlling any such stationery, ensuring all cash related stationery treated as controlled stationery with management responsibility given to a duly designated employee;

c) The provision of adequate physical facilities and systems for officers whose duties include collecting and holding cash, including the provision of safes or lockable cash boxes, the procedures for keys, and for coin operated machines; and

d) Establishing systems and procedures for handling cash and negotiable securities on behalf of the LHB.

e) Ensuring effective control systems are in place for the use of payment cards,

f) Ensuring that there are adequate control systems in place to minimise the risk of cash/card misappropriation.

8.1.2 Official money shall not under any circumstances be used for the encashment of private cheques or IOUs (informal documents acknowledging debt).

8.1.3 All cheques, postal orders, cash etc., shall be banked intact. Disbursements shall not be made from cash received, except under arrangements approved by the Director of Finance.

8.1.4 The holders of safe/cash box combinations/keys shall not accept unofficial funds for depositing in their safe/cash box unless such deposits are in special sealed envelopes or locked containers. It shall be made clear to the depositors that the LHB is not to be held liable for any loss, and written indemnities must be obtained from the organisation or individuals absolving the LHB from responsibility for any loss.

8.1.5 The opening of coin operated machines (including telephone, if applicable) and the counting and recording of takings shall be

undertaken by two officers together, except as may be authorised in writing by the Director of Finance and the coin box keys shall be held by a nominated officer.

8.1.6 During the absence (for example, on holiday) of the holder of a safe/cash box combination/key, the officer who acts in their place shall be subject to the same controls as the normal holder of the combination/key. There shall be written discharge for the safe and/or cash box contents on the transfer of responsibilities and the discharge document must be retained for inspection.

8.2 Petty Cash

8.2.1 The Director of Finance will issue instructions restricting the use and value of petty cash purchases.

8.2.3 Petty cash use should be minimised and be subject to regular cash balance reviews in order to minimise cash levels held.

8.2.3 Petty cash should be operated under an imprest system and be subject to regular checks to ensure physical and book cash levels are consistent.

9. INCOME, FEES AND CHARGES

9.1 Income Generation and Participation in/Formation of Companies

9.1.1 The LHB shall only generate income for those goods and services that are approved by the Welsh Ministers. Any income generating activities must be complementary to the provision of NHS services and must be in accordance with the Welsh Ministers' policy and powers to raise money as set out in section 169 of the National Health Service (Wales) Act 2006 (c. 42).

9.1.2 The LHB can only form or participate in a company for income generation, improving health, healthcare care and health services, purposes with the consent and/or direction of Welsh Ministers. The LHB should obtain advice from Welsh Government officials prior to undertaking substantive work on formation or participation in any company.

9.2 Income Systems

9.2.1 The Director of Finance is responsible for designing and maintaining procedures to ensure compliance with systems for the proper recording, invoicing, and collection and coding of all monies due.

9.2.2 The Director of Finance is also responsible for ensuring that systems are in place for the prompt banking of all monies received.

9.3 Fees and Charges

9.3.1 The Director of Finance is responsible for approving and regularly reviewing the level of all fees and charges other than those determined by the Welsh Ministers or by Statute. Independent professional advice on matters of valuation shall be taken as necessary.

9.3.2 All officers must inform the Director of Finance promptly of money due arising from transactions which they initiate/deal with, including all contracts, leases, tenancy agreements, private patient undertakings and other transactions.

9.4 Income Due and Debt Recovery

9.4.1 Delegated budget holders and managers are responsible for informing the Director of Finance of any income due that arises from any contracts, service levels agreements, leases, activities such as private patients or other transactions.

9.4.2 Delegated budget holders and managers must inform the Director of Finance when overpayment of salary or expenses have been made, in order that recovery can be made.

9.4.3 The Director of Finance is responsible for recovering income due and for ensuring debt recovery procedures are in place to secure early payment and minimise bad debt risk on all outstanding debts.

9.4.4 Income not received should be dealt with in accordance with losses procedures.

9.4.5 Overpayments should be detected (or preferably prevented) and recovery initiated.

9.4.6 The Chief Executive and the Director of Finance are responsible for ensuring the Welsh Ministers' guidance on disputed debt arbitration is strictly adhered to.

10. NON-PAY EXPENDITURE

10.1 Scheme of Delegation, Non-Pay Expenditure Limits and Accountability

10.1.1 The Board must agree a Scheme of Delegation in line with that set out in its Standing Orders Scheme of Reservation and Delegation of Powers.

10.1.2 The Chief Executive will approve the level of non-pay expenditure and the operational scheme of delegation and authorisation to budget holders and managers within the parameters set out in the LHB's scheme of delegation.

10.9.1 The Chief Executive will set out in the operational scheme of delegation and authorisation:

- The list of managers who are authorised to place requisitions for the supply of goods, services and works and for the awarding of contracts; and
- The maximum level of each requisition and the system for authorisation above that level.

10.2 The Director of Finance's responsibilities

10.2.1 The Director of Finance will:

a) Advise the Board regarding the NHS Wales national procurement and payment systems thresholds above which quotations (competitive or otherwise) or formal tenders must be obtained; and, once approved, the thresholds would be incorporated in SOs and SFIs;

b) Prepare procedural instructions or guidance within the Scheme of Delegation on non-pay expenditure;

c) Ensure systems are in place for the authorisation of all accounts and claims;

d) Ensure Directors and officers strictly follow NHS Wales system and procedures of verification, recording and payment of all amounts payable.

e) Maintain a list of Executive Directors and officers (including specimens of their signatures) authorised to certify invoices.

f) Be responsible for ensuring compliance with the Public Sector Payment policy ensuring that a minimum of 95 percent of

creditors are paid within 30 days of receipt of goods or a valid invoice (whichever is later) unless other payment terms have been agreed.

g) Ensure that where consultancy advice is being obtained, the procurement of such advice must be in accordance with applicable procurement legislation, guidance issued by the Welsh Ministers and SFIs;

h) Be responsible for Petty Cash system, procedures, authorisation and record keeping, and ensure purchases from petty cash are restricted in value and by type of purchase in accordance with procedures.

10.3 Duties of Budget Holders and Managers

10.3.1 Budget holders and managers must ensure that they comply fully with the Scheme of Delegation, guidance and limits specified by the Chief Executive and Director of Finance, and that:

a) All contracts (except as otherwise provided for in the Scheme of Delegation), leases, tenancy agreements and other commitments which may result in a liability are notified to the Director of Finance in advance of both any commitment being made and NWSSP Procurement Services being engaged;

b) Contracts above specified thresholds are advertised and awarded, through NWSSP Procurement Services, in accordance with ~~EU~~ UK and HM Treasury rules on public procurement;

c) Contracts above specified thresholds are approved by the Welsh Ministers prior to any commitment being made;

d) goods have been duly received, examined and are in accordance with specification and order,

e) work done or services rendered have been satisfactorily carried out in accordance with the order, and, where applicable, the materials used are of the requisite standard and the charges are correct,

f) No requisition/order shall be issued for any item or items to any firm which has made an offer of gifts, reward or benefit to Board members or LHB officers, other than:

(i) Isolated gifts of a trivial character or inexpensive seasonal gifts, such as calendars,

(ii) Conventional hospitality, such as lunches in the course of working visits;

This provision needs to be read in conjunction with Standing Order 8.5, 8.6 and 8.7.

g) No requisition/order is placed for any item or items for which there is no budget provision unless authorised by the Director of Finance on behalf of the Chief Executive;

h) All goods, services, or works are ordered on official orders

i) Requisitions/orders are not split or otherwise placed in a manner devised so as to avoid the financial thresholds;

j) Goods are not taken on trial or loan in circumstances that could commit the LHB to a future uncompetitive purchase;

10.3.2 The Chief Executive and Director of Finance shall ensure that the arrangements for financial control and financial audit of building and engineering contracts and property transactions comply with the guidance issued by the Welsh Ministers. The technical audit of these contracts shall be the responsibility of the relevant Director as set out in the LHB's scheme of delegation.

10.4 Departures from SFI's

10.4.1 Departing from the application of Chapters 10 and 11 of these SFI's is only possible in very exceptional circumstances. Health Boards must consult with NWSSP Procurement Services, Director of Finance and Director of Corporate Governance/Board Secretary prior to any such action undertaken. Any expenditure committed under these departures must receive prior approval in accordance with the Health Board Scheme of Delegation.

10.5 Accounts Payable

10.5.1 NWSSP Finance, shall on behalf of the LHB, maintain and deliver detailed policies, procedures systems and processes for all aspects of accounts payable

10.6 Prepayments

10.6.1 Prepayment should be exceptional and should only be considered if a good value for money case can be made for them (i.e. that "need" can be demonstrated). Prepayments are only permitted where either:

- The financial advantages outweigh the disadvantages (i.e. cash flows must be discounted to Net Present Value (NPV) using the National Loans Fund (NLF) rate plus 2%);
- It is the industry norm e.g. courses and conferences;
- In line with requirements of Managing Welsh Public Money
- There is specific Welsh Ministers' approval to do so e.g. voluntary services compact.

10.6.2 In **exceptional** circumstances prepayments can be made subject to:

a) The appropriate Executive Director providing, in the form of a written report, a case setting out all relevant circumstances of the purchase. The report must set out the effects on the LHB if the supplier is at some time during the course of the prepayment agreement unable to meet their commitments;

b) The Director of Finance will need to be satisfied with the proposed arrangements before contractual arrangements proceed (taking into account the associated subordinate instruments (together "**the 2023 Act**") and the The Health Services (Provider Selection Regime) (Wales) Regulations 2025 (Wales) Regulations 2025where the contract is above a stipulated financial threshold); and

c) The budget holder is responsible for ensuring that all items due under a prepayment contract are received and they must immediately inform the appropriate Director or Chief Executive if problems are encountered.

General Information

11.1 Procurement Services

11.1.1 While the Chief Executive is ultimately responsible for procurement the service is delivered by NHS Wales Shared Services Partnership NWSSP Procurement Services ("Procurement Services").

11.1.2 The Procurement staff employed by NWSSP provide a procurement support function to all health organisations in NHS Wales. Although NWSSP is responsible for the provision of a Procure to Pay service and provision of appropriate professional procurement and commercial advice, ultimate responsibility for compliance with legislation and policy guidelines remains with the Health Board. Where the term 'Procurement staff' or 'department' is used in this chapter it should be read as equally applying to those departments where the procurement function is undertaken locally of Procurement Services, for example 'pharmacy' and 'works' who undertake procurement on a devolved basis.

11.2 Policies and Procedures

11.2.1 Procurement Services shall, on behalf of the LHB, maintain detailed policies and procedures for all aspects of procurement, including tendering and contracting processes. The policies and procedures shall comply with these SFIs, the NWSSP Procurement Manual (existing and future revised) and the Revised General Consent to enter Individual Contracts [included as **Schedule 1** of these SFIs]**.**

11.2.2 The Chief Executive is ultimately responsible for ensuring that the LHB's Executive Directors, Independent Members and officers within the organisation strictly follow procurement, tendering and contracting procedures.

11.2.3 NWSSP's Director of Procurement Services is responsible for ensuring that procurement, tendering and contracting policies and procedures

- Are kept up to date;
- Conform to statutory requirements and regulations;
- Adhere to guidance issued by the Welsh Ministers; and
- Are consistent with the principles of sustainable development.

11.2.4 All procurement guidance issued by the Welsh Ministers should have the effect as if incorporated in these SFIs.

~~11.3 Procurement Principles~~ Legislation Governing Public Procurement

11.3.1 ~~The term "procurement" embraces the complete process from planning, sourcing to taking delivery of all works, goods and services required by the LHB to perform its functions, and furthermore embrace all building, equipment, consumables and services including health services. Procurement further embraces contract and/or supplier management, including market engagement and industry monitoring.~~

Legislation governs public sector procurement in the UK. From the 24 February 2025, the Procurement Act 2023 and associated subordinate instruments (together "**the 2023 Act**") and the The Health Services (Provider Selection Regime) (Wales) Regulations 2025 (Wales) Regulations 2025 and associated subordinate instruments (together "the **PSR Wales Regulations**") are the key pieces of legislation which governs public sector procurement in the UK. The PSR Wales Regulations only apply to certain health services ("**In-Scope Health Services**") and further detail these can be found in the Welsh Government's statutory guidance titled "Health service procurement: statutory guidance". Goods and services which are not In-Scope Health Services ("**Goods and Non-Health Services**") fall within the scope of the 2023 Act. `

11.3.2 ~~The main legal and governing principles guiding public procurement and which are incorporated into these SFIs are:~~

- ~~Transparency: public bodies should ensure that there is openness and clarity on procurement processes and how they are implemented;~~
- ~~Non-discrimination: public bodies may not discriminate between suppliers or products on grounds of their origin;~~
- ~~Equal treatment: suppliers should be treated fairly and without discrimination, including in particular equality of opportunity and access to information;~~
- ~~Proportionality: requirements and conditions in the procurement should be reasonable in proportion to the object of procurement and measures taken should not go beyond what is necessary;~~
- ~~Legality: public bodies must conform to European Community Community and other legal requirements;~~
- ~~Integrity: there should be no corruption or collusion with suppliers or others;~~
- ~~Effectiveness and efficiency: public bodies should meet the commercial, regulatory and socio-economic goals of government in a balanced manner appropriate to the procurement requirement;~~
- ~~Efficiency: procurement processes should be carried out as cost~~

~~effectively as possible and secure value for money.~~

Where specific instruction relates only to procurements undertaken under the PSR Wales Regulations, the words '**In-Scope Health Services Only'** will appear at the start of the instruction paragraph. Where specific instruction relates only to procurements undertaken under the Act, the words '**Goods and Non-Health Services Only**' will appear at the start of the instruction paragraph. If such references do not appear at the start of the instruction paragraph, all information detailed is applicable to the procurement regimes under both the PSR Wales Regulations and the 2023 Act, save for any bracketed instruction reference following a phrase to either regimes applicability.

11.3.3 '**Goods and Non-Health Services Only'** The Act governs the procurement of Goods and Non-Health Services. The Welsh Government's Policy Framework and the Wales Procurement Policy Statement (WPPS) under section 14 of the 2023 Act also govern this area. A key objective of the legislation is to establish a flexible, accessible and equitable framework for public procurement in Wales that maximises social, economic, environmental and cultural outcomes for communities across Wales. Legislation, policy, and guidance setting out procedures and requirements for awarding all forms of regulated contracts shall have effect as if incorporated in the LHBs SFIs. **In the event of any conflict between what is contained in the 2023 Act and the LHB's SFIs, the former shall prevail.**

11.3.4 '**In Scope Health Services Only'** The PSR Wales Regulations governs the procurement of In-Scope Health Services. Under this legislation, relevant organisations to which the PSR Wales Regulations apply must also have regard to the Wales Procurement Policy Statement (WPPS) under section 14 of the 2023 Act. They must also have regard to the statutory guidance issued by the Welsh Government which sets out how the PSR Wales Regulations should be adopted. One of the key objectives of this legislation is to ensure there is more flexibility when selecting providers for health services, with competitive tendering being one tool for the LHB to use when it is of benefit; alongside other routes that may be more proportionate, and which better enable the development of stable partnerships and the delivery of collaborative care. Legislation, policy, and guidance setting out procedures for awarding all forms of regulated contracts shall have effect as if incorporated in the LHB's SFIs. **In the event of any conflict between what is contained in the PSR Wales Regulations and the LHB's SFIs, the former shall prevail.**

11.3.5 All Directors and their staff are responsible for ensuring that all legal requirements in the area of public procurement are understood and fully complied with. The provisions set out in the 2023 Act, the PSR

Wales Regulations, Welsh Procurement Policy Notices, and all associated subordinate instruments are the model upon which all procurement exercises should be based.

11.3.6 Procurement advice should be sought in the first instance from Procurement Services. The commissioning of further specialist advice shall be jointly agreed between the LHB and Procurement Services e.g., engagement of NWSSP Legal and Risk Services prior to 3rd party Legal Service providers.

11.3.7 All other relevant legislation, guidance and policy documents must also be observed, including but not limited to the following:

- Social Partnership and Public Procurement (Wales) Act 2023
- The Well-being of Future Generations (Wales) Act 2015
- Welsh Language (Wales) Measure 2011
- Modern Slavery Act 2015
- Bribery Act 2010
- Equality Act 2010
- Welsh Government's Code of Practice for Ethical Employment in Supply Chains.
- The Producer Responsibility Obligations (Packaging Waste) Regulations 2007
- Welsh Government 'Towards zero waste: our waste strategy'
- The Welsh Government Procurement Policy Framework, including:
    - Wales Procurement Policy Notes (extant at the time of undertaking the procurement exercise)
    - The Wales Procurement Policy Statement (WPPS) (section 14 of the Procurement Act 2023)

11.4 ~~Legislation Governing Public Procurement~~ Procurement Principles and Objectives

11.4.1 ~~There are a range of EU Directives which set out the EU legal framework for public procurement. These EU Directives have been implemented into UK law by statutory regulations which govern public sector procurement, the primary statutory regulations in Wales being 'The Public Contracts Regulations 2015 No. 102.' From 1 January 2021, all aspects of EU law in respect of the EU Directives relating to public procurement, except where expressly stated otherwise by domestic legislation, will continue to govern public sector procurement, although further amendments or developments of EU related procurement law following this will not be incorporated into domestic law. The Welsh Government policy framework and the Wales Procurement Policy Statement (WPPS) also govern this area. One of the key objectives of governing legislation is to ensure public~~

~~procurement markets are open and that there is free movement of supplies, services and works. Legislation, policy and guidance setting out procedures for awarding all forms of regulated contracts shall have effect as if incorporated in the LHB's SFIs.~~

The term "procurement" embraces the complete process from planning, sourcing to taking delivery of all works, goods and services required by the LHB to perform its functions, and furthermore embrace all building, equipment, consumables, and services including health services. Procurement further embraces contract and/or supplier management, including market engagement and industry monitoring.

11.4.2 ~~The main Regulations (the Public Contracts Regulations (2015 No. 102)) cover the whole field of procurement, including thresholds above which special and demanding procurement protocols and legal requirements apply. All Directors and their staff are responsible for seeing that those Regulations are understood and fully implemented. The protocols set out in the Regulations, and any Procurement Policy Notices, are the model upon which all formal procurement shall be based.~~

'Goods and Non-Health Services Only' The legal and governing principles guiding 'covered procurement' under the 2023 Act, and incorporated into these SFIs include but are not limited to the following:

- Having regard to the objectives of delivering value for money; maximising public benefit; sharing information for the purpose of allowing suppliers and others to understand the authority's procurement policies and decisions; acting, and being seen to act, with integrity; and removing or reducing the barriers faced by SMEs.
- Ensuring equal treatment by treating suppliers the same, unless differences between the suppliers justify different treatment (and where different treatment of suppliers is justified, to take all reasonable steps to make sure the different treatment does not put a supplier at an unfair advantage or disadvantage).

11.4.3 ~~Procurement advice should be sought in the first instance from Procurement Services. The commissioning of further specialist advice shall be jointly agreed between the LHB and Procurement Services e.g. Engagement of NWSSP Legal and Risk Services prior to 3rd party Legal Service providers.~~

'In Scope Health Services Only' The legal and governing principles guiding procurement of In Scope Health Services under the PSR Wales Regulations, and incorporated into these SFIs include but is not limited to the Health Board doing the following:

- Making decisions in the best interests of people who use the

service by acting with a view to (1) securing the needs of the people who use the services; (2) improving the quality of the services; (3) improving efficiency in the provision of the services;
- Acting transparently, fairly, and proportionately;
- Having regard to the Welsh Government's Health Service Procurement: Statutory Guidance; and
- Having regard to the Wales Procurement Policy Statement published under section 14 of the 2023 Act.

11.4.4 ~~Other relevant legislation and policy include:~~
- ~~The Well-being of Future Generations (Wales) Act 2015~~
- ~~Welsh Language (Wales) Measure 2011~~
- ~~Modern Slavery Act 2015~~
- ~~Bribery Act 2010~~
- ~~Equality Act 2010~~
- ~~Welsh Government's Code of Practice for Ethical Employment in Supply Chains.~~
- ~~The Producer Responsibility Obligations (Packaging Waste) Regulations 2007~~
- ~~Welsh Government 'Towards zero waste: our waste strategy'~~
- ~~The Welsh Government Policy Framework~~
- ~~The Wales Procurement Policy Statement (WPPS)~~

11.5 Procurement Procedures

11.5.1 To help towards ensuring ~~ensure~~ that the Health Board is fully compliant with ~~UK Procurement Regulations, EU Procurement Directives~~ the legislation governing public sector procurement in the UK, and Welsh Ministers' guidance and policy, the Health Board shall, through NWSSP Procurement Services, ensure that it shall have procedures that set out:

a) Requirements and exceptions to formal competitive tendering ~~requirements~~ **('Goods and Non- Health Services Only')**;
b) Tendering processes including post tender discussions;
c) Requirements and exceptions to obtaining quotations **('Goods and Non-Health Services Only')**
d) Evaluation and scoring methodologies; and
e) Approval of firms for providing goods and services.

11.5.2 All procurement procedures ~~shall reflect~~ must comply with all relevant legislation, the Welsh Ministers' guidance and the LHB's delegation arrangements and approval processes.

11.6 ~~Procurement Consent~~ Notification to Welsh Government and

consent from the Welsh Ministers

11.6.1 ~~Paragraph 13(3) of Schedule 2 to the National Health Service (Wales) Act 2006 places a requirement on LHBs to obtain the consent of the Welsh Ministers before:~~

- ~~Acquiring and disposing of property;~~
- ~~Entering into contracts; and~~
- ~~Accepting gifts of property (including property to be held on trust, either for the general or any specific purposes of the LHB or for any purposes relating to the health service).~~

~~The provision allows the Welsh Ministers to give consent, which may be given in general terms covering one or more descriptions of case.~~

Schedule 1 details the requirements and notification process for entering into contracts.

11.6.2 ~~General Consent has been granted to LHBs by the Welsh Ministers for individual contracts up to the value of £1 million in each case with the exception of those contracts specified in SFI 11.6.4. All contracts exceeding this delegated limit, all acquisitions and disposals of land of any limit, and the acceptance of gifts of property, must receive the written approval of the Welsh Ministers before being entered into. In addition, Health Board's must provide a contract summary to Welsh Government for contracts between £500,000 and £1 million prior to the contract being let.~~

The provisions of Schedule 1 do not remove the requirement for the Health Board to comply with Standing Orders, SFIs or to obtain any other consents or approvals required by law for the transactions concerned.

11.6.3 ~~**Schedule 1** details the requirement and process for LHBs to obtain consent to enter into contracts exceeding £1m and monitoring arrangements for contracts below £1m.~~

11.6.4 ~~The requirement for consent does not apply to any contracts entered into pursuant to a specific statutory power, and/or Welsh Ministers direction, and therefore does not apply to:~~

~~i) Contracts of employment between LHBs and their staff;~~
~~ii) Transfers of land or contracts effected by Statutory Instrument following the creation of the LHBs;~~
~~iii) Out of Hours contracts;~~
~~iv) All NHS contracts, that is where one health service body contracts with another health service body;~~

v) Contracts entered into by Health Education and Improvement Wales (HEIW) for services which are the consequences of annual commissioning approved by the Minister e.g. annual education and training commissioning also do not require further Ministerial notification or consent.

To ensure consistency with guidance issued by NWSSP Procurement Services, further exceptions highlighted below should also be applied:

vi) Contracts over £500k - £1 million (for noting) and £1 million + (for approval);

i) Wales Public Sector Framework Agreements e.g. Frameworks established by National Procurement Services (NPS) or NWSSP (not exhaustive) – no further approval required to award contracts under these Frameworks through a direct award or mini competition.

ii) Third Party Public Sector Framework Agreements e.g. Frameworks established by Crown Commercial Services, NHS Supply Chain (not exhaustive) – no further approval required to award contracts under these Frameworks through a direct award. Approval will however be required for award of contracts under these Framework Agreements through mini-competition or where the specification of the product/service required is modified from that stated within the Framework Agreement.

11.6.5 The Revised General Consent does not remove the requirement for LHBs to comply with SOs, SFIs or to obtain any other consents or approvals required by law for the transactions concerned.

Planning

11.7 Sustainable Procurement

11.7.1 To further nurture the Welsh economy, in support of social, environmental, and economic regeneration and cultural goals in Wales, the Health Board must also be mindful to structure requirements ensuring Welsh companies have the opportunity to transparently and fairly compete to deliver services regionally or across Wales where possible within the legislative framework. The principles of Well-being of Future Generations (Wales) Act 2015 (the **WBFG Act 2015**) should be adopted at the earliest stage of planning.

Procurement solutions must be developed embracing the five ways of working described within the Act and capture how they will deliver against the seven goals set out in the Act.

~~11.7.2 The WBFGA 2015 requires that bodies listed under the act must operate in a manner that embraces sustainability. The Act requires public bodies in Wales to think about the long-term impact of their decisions, to work better with people, communities and each other, and to prevent persistent problems such as poverty, health inequalities and climate change.~~

For example, the WBFG Act 2015 requires affected public bodies to act in a manner which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs. The WBFG Act 2015 also provides for a share purpose through seven well-being goals for Wales which are indivisible from each other and explain what is meant by the well-being of Wales.

11.7.3 The 7 Wellbeing goals are

- a prosperous Wales
- a resilient Wales
- a healthier Wales
- a more equal Wales
- a Wales of cohesive communities
- a Wales of vibrant culture and thriving Welsh language
- a globally responsible Wales.

~~These goals have been put in place to improve the social, economic, environmental, and cultural well-being of Wales~~

~~11.7.4 Public bodies need to make sure that when making their decisions they take into account the impact they could have on people living their lives in Wales in the future. The Act expects them to:~~

- ~~work together better~~
- ~~involve people reflecting the diversity of our communities~~
- ~~look to the long term as well as focusing on now~~
- ~~take action to try and stop problems getting worse - or even stop them happening in the first place.~~

The WBFG Act 2015 puts in place a “sustainable development principle” which tells relevant public bodies how to go about meeting their well-being duty. Such bodies need to make sure that when making their decisions they take into account the impact they could have on people living in Wales now and in the future. The WBFG Act 2015 includes five principles that those public bodies need to think about to show they have applied the sustainable development principle, which by way of brief summary are as follows:

- **Collaboration**: acting in collaboration with any other person (or different parts of the body itself) that could help the body to meet

its well-being objectives;

- **Integration**: considering how the public body's well-being objectives may impact upon each of the well-being goals, on their other objectives, or on the objectives of other public bodies;
- **Involvement**: the importance of involving people with an interest in achieving the well-being goals, and ensuring that those people reflect the diversity of the area which the body serves;
- **Long term**: the importance of balancing short-term needs with the need to safeguard the long-term needs; and
- **Prevention**: how acting to prevent problems occurring or getting worse may help public bodies meet their objectives.

~~11.7.5~~ The LHB is required to consider the ~~Procurement and the new~~ Welsh Government Guidance on Ethical Employment Practices in Public Sector Supply Chains and the Code of Practice on ethical employment in supply chains which includes aims to commit public, private and third sector organisations to a set of action designed to eliminate modern slavery and support ethical employment practices. ~~which commits public, private and third sector organisations to a set of actions that tackle illegal and unfair employment practices including blacklisting, modern slavery and living wage.~~

11.7.6 The LHB shall make use of the tools developed by ~~Value Wales~~ Welsh Government Commercial Delivery Team in implementing the principles of the WBFGA 2015. The LHB shall benchmark its performance against the WBFGA 2015. ~~For all contracts over £25,000, the LHB shall take account of social, economic and environmental issues when making procurement decisions using the Sustainable Risk Assessment Template (SRA).~~ As detailed in WPPN 005, for the procurement of all contracts over £25,000, LHBs are required to take into account the social, economic, environmental and cultural goals in the WBFG Act 2015 using the Sustainable Risk Assessment Template (SRA).

11.8 Small and Medium Sized Enterprises (SMEs), Third Sector Organisations (TSOs) and Supported Factories and Businesses (SFBs)

11.8.1 ~~In accordance with Welsh Government commitments policy set out in the current WPPS and subsequent versions of this statement the LHB shall ensure that it provides opportunities for these organisations to quote or tender for its business~~. In accordance with the 'covered procurement' objectives in the 2023 Act, Welsh Government's commitments are set out in Welsh Government's 'technical guidance for covered procurement' and the current and subsequent versions of the Wales Procurement Policy Statement (WPPS). The Health Board shall ensure that it provides opportunities for SMEs, TSOs and SFBs to quote or tender for contracts.

11.9 Planning Procurements

11.9.1 The LHB must ensure that all staff with delegated budgetary responsibility or who are part of the procurement process for goods, services and works are aware of the legislative and policy frameworks ~~governing public procurement~~ and requirements governing public procurement. the requirement of open competition.

11.9.2 ~~Depending on the value of the procurement,~~ A process of planning ~~the procurement~~ all procurement exercises must be undertaken with the Procurement Services and appropriate representative from the service and other appropriate stakeholders, (depending on the value, risk and complexity of the procurement) The purpose of a planning phase is to determine:

- the likely financial value of the procurement, including whole life cost
- the likely 'route to market' which will consider the legislative and policy framework set out above.
- The availability of funding to be able to award a contract following a successful procurement process, and
- That the procurement follows current legislative and policy frameworks including Value Based Procurement

11.9.3 The procurement specification should factor in the four principles of prudent healthcare:

- Equal partners through co-production;
- Care for those with the greatest health need first;
- Do only what is needed; and
- Reduce inappropriate variation.

~~Value based outcome/experience/delivery principles must also be included where appropriate ensuring best value for money, sustainability of services and the future financial position. Value for money is defined as the optimum combination of whole-life cost and quality to meet the requirement.~~ For '**Goods and Non-Health Services Only**' Value based outcome/experience/delivery principles must also be included where appropriate ensuring best value for money, sustainability of services and the future financial position. For '**In Scope Health Services Only**' Value Based Healthcare should be considered under the Key Criteria 'Value' where this is appropriate and applicable. Value for money is defined as the optimum combination of whole-life cost and quality to meet the requirement (and is also a core objective of

the 2023 Act).

11.9.4 Where free of charge services are made available to the Health Board, NWSSP Procurement Services must be consulted to ensure that any competition requirements are not breached, particularly in the case of pilot activity to ensure that the Health Board does not unintentionally commit itself to a single provider or longer-term commitment. Regular reports on free of charge services provided to the Health Board should be submitted by Director of Corporate Governance/Board Secretary to Audit Committee.

11.9.5 Health Boards are required to participate in all-Wales collaborative planning activity where the potential to do so is identified by the procurement professional involved in the planning process. Cross sector collaboration may also be required.

Joint or Collaborative Initiatives

11.9.6 Specialist advice should be obtained from Welsh Government's Health and Social Care Finance Department and the opinions of NWSSP Procurement Services and NWSSP Legal and Risk prior to external opinion being sought where there is an undertaking to commence joint or collaborative initiatives which may be deemed as novel or contentious.

11.10 Procurement Process

11.10.1 Where there is a requirement for goods or services, the manager must source those goods or services from the Health Board's approved catalogue. Where a required item is not included within the catalogue, advice must be sought from the Procurement Services on opportunities to source those goods or services through public sector contract framework, such as ~~National Procurement Service~~ those provided by the Welsh Government's Commercial Delivery Team, NHS Supply Chain or Crown Commercial Services. The use of suitable Welsh frameworks (where access is permissible) shall take precedence over frameworks led by Public Sector Bodies outside of Wales.

11.10.2 '**Goods and Non-Health Services Only'** - In the absence of an existing suitable procurement framework to source the required item, a competition must be run in accordance with the ~~table below~~ 2023 Act and the table below. The LHB must ensure the value of their requirement considers cumulative spend across the LHB for like requirements and opportunity for collaboration with other NHS Wales Organisations.

TABLE 'Goods and Non-Health Services Only'

Goods/Services/Works Whole Life Cost Contract value (excl. VAT)	Minimum competition (1)	Form of Contract
Below £5,000	Evidence of value for money has been achieved	Purchase Order
£5,000 - £24,999	Evidence of 3 written quotations	Simple Form of Contract/Purchase Order
£25,000 plus to the prevailing Procurement Act 2023 threshold (2) ~~Prevailing OJEU threshold~~	Advertised open call for competition. Minimum of 4 tenders received if available	Formal contract and Purchase Order
~~>OJEU threshold~~ Over the prevailing Procurement Act 2023 threshold	Advertised open call for competition. Minimum of 5 tenders received if available or appropriate to the procurement route	Formal contract and Purchase Order
Contracts above £1 million	Welsh Government approval required (3)	Formal contract and Purchase Order

(1) subject to the existence of suitable suppliers
(2) ~~in accordance with the requirements set out in SFI 11.6.3.~~ The Procurement Act 2023 – Schedule 1 - threshold amounts
(3) In accordance with the requirements set out in the Schedule 1.

11.10.3 '**In Scope Health Services Only**' – in the absence of an existing suitable procurement framework to source the required item, the Health Board is required to follow the most appropriate and proportionate procurement process as set out under the PSR Wales Regulations and the Health service procurement: statutory guidance. The Health Board should note that one of the key objectives of the PSR Wales Regulations are to provide more flexibility when selecting providers for health services with competitive tendering being one tool for the Health Board to use when it is of benefit; alongside other routes that may be more proportionate, with a view to enabling the development of stable supplier partnerships and the delivery of collaborative care. Legislation, policy, and guidance setting out procedures for awarding all forms of regulated contracts shall have effect as if incorporated in the LHB's SFIs.
~~Agreements awarded are required to deliver best value for money over the whole life of the agreement. Value for money is defined as~~

~~the optimum combination of whole-life cost and quality to meet the requirement.~~

11.10.4 Agreements awarded are required to deliver best value for money over the whole life of the agreement. Value for money is defined as the optimum combination of whole life cost and quality to meet the requirement.

Competition Requirements

11.11 Procurement Thresholds

11.11.1 '**Goods and Non-Health Services Only**' The LHB must consider the minimum financial thresholds for quotes and competitive tendering arrangements when undertaking a procurement. The total value of the contract, whole life cost, over its entire period is the qualifying sum that should be applied (except in specific circumstances relating to aggregation and contracts of an indeterminate duration) as set out below, and in the Schedule 1 of the 2023 Act.

~~The following table summarises the minimum thresholds for quotes and competitive tendering arrangements. The total value of the contract, whole life cost, over its entire period is the qualifying sum that should be applied (except in specific circumstances relating to aggregation and contracts of an indeterminate duration) as set out below, and in EU Procurement Directives and UK Procurement Regulations.~~

11.11.2 **'Goods and Non-Health Services Only'** Advice from the Procurement Services must be sought for all requirements in excess of £5,000 (excluding VAT).

11.11.3 **'Goods and Non-Health Services Only'** The deliberate sub-dividing of contracts to fall below a specific threshold is strictly prohibited. Any attempt to avoid these limits may expose the Board to risk of legal challenge and could result in disciplinary action against an individual[s].

11.11.4 **'Goods and Non-Health Services Only'** Deliberate re-engagement of a supplier, where the value of the individual engagement is less than £5,000, (excluding VAT) must not be undertaken where the total value of engagements taken as a whole would exceed £5,000 (excluding VAT) and require competition.

11.11.5 '**In Scope Health Services Only'** There is no minimum financial threshold for application of the PSR Wales Regulations.11

11.12 Designing Competitions

11.12.1 The budget holder or manager responsible for the procurement is required to engage with the Procurement team to ensure:

- required timescales are achievable
- specifications are drafted which:
  - are fit for inclusion in competition documents;
  - are drafted in a manner encouraging innovation by the market;
  - are capable of being responded to and do not narrow competition;
  - deliver in line with legislative and policy frameworks.
  - include robust performance measures to effectively measure and manage supplier performance; and
  - consider the ability of the market to deliver.

11.12.2 Appropriate performance measures are included in agreements awarded, thus ensuring best value for money decisions taken that return maximum benefit for the organisation and ultimately the improvement of patient outcomes and wider health and social care communities. '**Goods and Non-Health Services Only'**, under the 2023 Act there is a requirement to set and publish at least 3 Key Performance Indicators (KPI's) for contracts above £5m, and to publish a notice on these at least annually during the term of the contract (note: this does not apply to 'light touch regime' contracts) and in circumstances where the LHB considers that the supplier's performance under the contract could not appropriately be assessed by reference to key performance indicators (s.52(2) of the 2023 Act)).

11.12.3 **'Goods and Non-Health Services Only'** Criteria for selecting suppliers and achieving an award recommendation must be evaluated on the basis of the "Most Advantageous Tender", which provides contracting authorities with greater flexibility to take into account wider social and environmental issues where that is decided to be relevant for the best solution. Such criteria must:

- be appropriately weighted ~~in consideration of quality/price;~~
- ~~consider cost of change where relevant;~~
- be transparent and proportionate;
- deliver value for money outcomes;
- fully explore complexity/risk; and
- consider whole life cost, including (where appropriate) the cost of change and/or end of life costs.

11.12.4 'In-Scope Health Services Only' Criteria for selecting suppliers

and achieving an award recommendation must follow (where applicable) the provisions in the PSR Wales Regulations, regarding:

- Key Criteria (regulation 6);
- Basic Selection Criteria (regulation 22); and
- Exclusions (regulations 25 and 26)

The LHB is required to ensure the appropriate criteria is set with regards to the selected procurement process, as set out under the PSR Wales Regulations and Health service procurement: statutory guidance

11.13 Single Quotation Application or Single Tender Application – 'Goods and Non-Health Services Only'

11.13.1 In exceptional circumstances, there may be a need to secure goods/services/works from a single supplier. This may concern securing requirements from a single supplier, due to a special character of the firm, or a proprietary item or service of a special character. Such circumstances may include:

- follow-up work where a provider has already undertaken initial work in the same area (and where the initial work was awarded from open competition);
- a technical compatibility issue which needs to be met e.g. specific equipment required, or compliance with a warranty cover clause;
- a need to retain a particular contractor for genuine business continuity issues (not just preferences); or
- when joining collaborative agreements where there is no formal agreement in place. Request for such a departure must be supported by written evidence from the Procurement Service confirming local agreements will be replaced by an all-Wales competition/national strategy.

11.13.2 Procurement Services must be consulted prior to any such application being submitted for approval. The Director of Finance must approve such applications up to £25,000, the Chief Executive or designated deputy, and Director of Finance, are required to approve applications exceeding £25,000. A register must be kept for monitoring purposes and all single tender actions must be reported to the Audit Committee.

11.13.3 In all applications, through Single Quotation Application or Single Tender Application (SQA or STA) forms, the applicant must demonstrate adequate consideration to the Chief Executive and Director of Finance, as advised by the Head of Procurement, that securing best value for money is a priority. The Head of Procurement will scrutinise and endorse each request to ensure:

- robust justification is provided;
- a value for money test has been undertaken;
- no bias towards a particular supplier;
- future competitive processes are not adversely affected;
- no distortion of the market is intended;
- an acceptable level of assurance is available before presentation for approval in line with the Health Board Scheme of Delegation; and
  an "or equivalent" test has been considered proving the request is justified.

11.13.4 Under no circumstances will Procurement Services endorse a retrospective SQA/STA, where the Health Board has already entered into an arrangement directly.

11.13.5 As SQA or STA are only used in exceptional circumstances the Health Board, through the Chief Executive, must report each, including the specifics of the exceptional circumstances and the total financial commitment, in sufficient detail to its Audit Committee. The report will include any corrective action/advice provided by the Chief Executive, Director of Finance or NWSSP Director of Procurement Services to prevent repeated inappropriate use of a SQA or a STA by the Health Board.

11.13.6 The Audit Committee may consider further steps to be appropriate, such as:

- instruct a representative of the Health Board to attend Audit Committee;
- escalate to the Board;
- request an internal Audit Review;
- request further training or
- take internal disciplinary action.

11.13.7 No SQA/STA is required where the seeking of competition is not possible, nor would the application of the SQA/STA procedure add value to the process/aid the delivery of a value for money outcome. Procurement Manual details schedule of departures from SQA/STA where competition not possible.

11.13.8 For performance monitoring purposes, the NWSSP Procurement Service will retain a central register of all such activity including SQA/STA's not endorsed by Procurement or any exceptional matters.

11.14 Disposals – 'Goods and Non-Health Services Only'

11.14.1 Disposal of surplus, obsolete equipment/consumables is also subject to the competition rules.

11.14.2 Obsolete or condemned articles and stores, which may be disposed of in accordance with applicable regulations and law at the prevailing time (e.g. Waste Electrical and Electronic Equipment (WEEE)) and the procedures of the Health Board making use of any agreements covering the disposal of such items.

11.14.3 The Health Board must obtain the best possible market price.

Approval & Award

11.15 Evaluation, Approval and Award

11.15.1 The evaluation of procurement competitions ~~via quotation or tender~~, must be undertaken by a minimum of 2 evaluators from within the operational service of the Health Board. Evaluation Teams for competitions of greater complexity and value must be multi-disciplinary and reach a consensus recommendation for internal approval.

11.15.2 The internal approval of any recommendation to award a competition must follow the Board's Scheme of Delegation.

11.15.3 The communication of the external notification to the market to award the contract must be managed by the Procurement Service.

11.15.4 Information throughout the process must be handled and retained as 'commercial in confidence' and not shared outside of staff directly involved in the competition process.

11.15.5 All associated communication throughout the competition process must also be managed by the Procurement Service.

Implementation & Contract Management

11.16 Contract Management

11.16.1 Contract Management is the process which ensures that both parties to a contract fully meet their respective obligations as effectively and efficiently as possible, in order to deliver the business and operational objectives required by the contract and in particular, to achieve value for money. The relevant budget holder shall oversee and manage each contract on behalf of the LHB so as to ensure that these implicit obligations are met. This contract management will

include:

- retaining accurate records
- monitoring contract performance measures
- engaging suppliers to ensure performance delivery
- implementing contractual sanctions in the event of poor performance in conjunction with advice from Procurement Services; and
- permitting stage payments as part of a formally agreed implementation/delivery plan which must be supported by written evidence issued by the budget holder.

11.16.2 Contract management on All Wales contracts will be provided by NWSSP Procurement Services.

11.16.3 Advice on best practice on Contract Management is available from NWSSP Procurement Services.

11.17 Extending and Varying Contracts

11.17.1 '**Goods and Non-Health Services Only**'

11.17.1.1 Extending, modifying or varying the scope of an existing contract is possible, if the provision to do so was included as an option in the original awarded contract, e.g. scope of requirement, further expenditure due to unforeseen circumstances, change in regulatory requirements, etc.

11.17.1.2 If there is no such provision, ~~the Public Contracts Regulations 2015~~ the 2023 Act define such limitations. Further information on contract modifications can be found in sections 74-77 of the Act and in Guidance: Contract Modifications

~~11.17.1.2 The Public Contracts Regulations 2015 provide further constraints on this matter, under which modifications/variations/extensions are capped at 50% of the original award value.~~

11.17.2 'In Scope Health Services Only'

11.17.2.1 Modification of the scope of an existing contract is possible if:

11.17.2.1.1 the modification is clearly an unambiguously provided for in the original contract or framework agreement documents, or

11.17.2.1.2 the original contract was awarded under Direct Award Process 1 and the modification does not render the contract 'materially different' in character.

11.17.2.2 If provisions set out in 11.17.2.1.1 are not met, the PSR Wales Regulations define limitations concerning modifications of contracts as being, the modification must be:

- solely a change in the identity of the provider however continues to meet the basic selection criteria, and there are no other considerable changes to the contract; or
- made in response to external factors beyond the control of the 'relevant authority' (as defined under section 10A of the National Health Service (Wales) 2006), and the provider, for example changes in patient or service user volume; changes in prices in accordance with a formula provided for in the contract documents and neither of these modifications render the contract or framework agreement materially different in character; or
- made at the discretion of the relevant authority and does not render the contract or framework agreement materially different in character and the cumulative change in the estimated lifetime value of the contract or framework agreement is under £500,000 or is under 25% of the estimated lifetime value.

11.17.3 Further approval is not required to extend an agreement beyond the original term/scope where prior approval was granted as part of the procurement process.

11.17.4 If there was no provision to extend, further approvals are required from the Health Board budget holder and the local Head of Procurement. Budget holders must also be mindful of the threshold under which the original contract was awarded. Any increase in the contract value may require a more senior level of approval in line with the Scheme of Delegation.

11.17.6 This ensures an appropriate identification and assessment of potential risks to the Health Board's compliance of approvals being granted within the Scheme of Delegation and assurance that value for money continues to be delivered from public funds.

11.17.7 The budget holder must seek advice from NWSSP Procurement Services in advance of committing further expenditure to ensure the contract is reflective of requirements. The budget holder must assess whether there is sufficient evidence to support the justification and whether the budget is available to support the additional requirements.

Transactional Processes

11.18 Requisitioning

11.18.1 The budget manager in choosing the item to be supplied (or the service to be performed) shall always obtain the best value for money for the LHB. The budget holder will source those goods **('Goods or Non-Health Services Only)** or services from the approved catalogue. Where a required item is not included within the catalogue, advice must be sought from the Procurement Services on opportunities to source those goods or services through public sector contract framework, such as those managed by Welsh Government's Commercial Delivery team, ~~National Procurement Service,~~ NHS Supply Chain or Crown Commercial Services.

11.18.2 Where a required item is not on catalogue or on framework contract the budget manager shall request the NWSSP Procurement Services to undertake quotation / tendering exercises **('Goods and Non-Health Services Only')** on their behalf in line with SFI 11.11 thresholds. **('Goods and Non-Health Services Only')**

11.18.3 All orders for goods **('Goods and Non-Health Services Only')** and services must be accompanied by an official order number, available from the Procurement Department. In no circumstances must a requisition number be used as an order number.

11.19 No Purchase Order, No Pay

11.19.1 The LHB will ensure compliance with the 'No Purchase Order, No Pay' policy, the All-Wales policy which was introduced to ensure that Procure to Pay continues to provide world-class services on a 'Once for Wales' basis.

11.19.2 The policy ensures that a purchase order is raised at the beginning of a purchase in circumstances where a purchase order is required under the policy. This follows industry standard best practice as it provides a commitment as to what is likely to be spent. The supplier must obtain a purchase order number for their invoice in order for it to be processed for payment.

11.20 Official orders

11.20.1 Official Orders, issued following approved requisition and sourcing, must:

a) Be consecutively numbered;
b) State the LHB's terms and conditions of trade.

11.20.2 Official Orders will be issued on behalf of the Health Board by NWSSP Procurement Services.

12. HEALTH CARE AGREEMENTS AND CONTRACTS FOR HEALTH CARE SERVICES

12.1 Health Care Agreements

12.1.1 The Health Board will commission healthcare services for its resident population both internally, from its own LHB provided services, and externally, from other LHBs, Trusts and other providers. The Chief Executive is responsible for ensuring the LHB enters into suitable Health Care Agreements (or Individual Patient Commissioning Agreements, where appropriate) for the provision of health care services from external providers.

12.1.2 All Health Care Agreements should aim to implement the agreed priorities contained within the Integrated Medium-Term Plan and wherever possible, be based upon integrated care pathways to reflect expected patient experience. In discharging this responsibility, the Chief Executive should take into account:

- The standards of service quality expected;
- The relevant quality, governance and risk frameworks and plans;
- The relevant national service framework (if any);
- The provision of reliable information on quality, volume and cost of service; and
- That the agreements are based on integrated care pathways.

12.1.3 All agreements must be in accordance with the functions conferred on the LHB by the Welsh Ministers.

12.2 Statutory provisions

The National Health Service (Wales) Act 2006 (c. 42) enables Health Boards to commission certain healthcare services. The relevant sections under the Act are as follows:

- Section 7 sets out the definition of an NHS contract, being an arrangement under which one health service body arranges for the provision to it by another of goods or services which it reasonably requires for the purposes of its functions. It also provides a definition of a health service body;
- Section 9 sets out arrangements to be treated as NHS contracts for ophthalmic and pharmaceutical services;
- Section 32 makes provision in relation to services which can be provided to Health Boards by local authorities;
- Section 33 enables the Welsh Ministers to make provision which enables Health Boards and Local Authorities to enter into prescribed arrangements as to the provision of services which are

in connection with specified circumstances, if they are likely to lead to an improvement in the way in which each of their functions are exercised;

- Part 4 enables Health Boards to make arrangements for the provision of primary medical services;
- Part 5 enables Health Boards to make arrangements for the provision of primary dental services;
- Part 6 enables Health Boards to make arrangements for the provision of general ophthalmic services;
- Part 7 enables Health Boards to make arrangements for the provision of pharmaceutical services;
- Section 188 enables the Welsh Ministers to make provision which enables Health Boards and the prison service to enter into prescribed arrangements as to the provision of services which are in connection with specified circumstances, if they are likely to lead to an improvement in the way in which each of their functions are exercised;
- Section 194 sets out the Health Boards powers to make payments towards expenditure on community services; and
- Section 195 sets out the conditions for payment where expenditure proposed under section 194 is in connection with services to be provided by a voluntary organisation.

12.3 Reports to Board on Health Care Agreements (HCAs)

12.3.1 The Chief Executive will need to ensure that regular reports are provided to the Board detailing performance, quality and associated financial implications of all health care agreements with external providers. These reports will be linked to, and consistent with, other Board reports on commissioning and financial performance.

13 GRANT FUNDING

It is a matter for LHBs to determine whether individual activities should be procured, or be eligible to receive grant funding, seeking legal advice as necessary. (Grants are defined as all non-procured payments to external bodies or individuals for activities which are linked to delivering policy objectives and statutory obligations. Payments are made to fund or reimburse expenditure on agreed items or functions in accordance with legally binding conditions.)

13.1 Legal Advice

13.1.1 Before the award of funding is made, legal advice where necessary must be sought to ensure that:

- The award does not breach the LHBs functions or its regularity of expenditure duty (that is, the activities for which the grant is made are within the scope of activities that the LHB has a legal remit to undertake);
- The activities would not be deemed to be normally subject to procurement legislation and policy; and
- A legally binding agreement is made with all delivery organisations.

toolkit for grants v procurement

13.2 Policies and procedures

13.2.1 The LHB shall maintain detailed policies and procedures for all aspects of grant funding. The policies and procedures shall comply with these SFIs, and where appropriate the Welsh Government's Code of Practice to funding the third sector:

Final Third Sector Scheme and annexed Code of Practice

13.2.2 The Chief Executive is ultimately responsible for ensuring that the LHB's grant procedures:

- Are kept up to date;
- Conform to statutory requirements;
- Adhere to guidance issued by the Welsh Ministers;
- Are consistent with the principles of sustainable development; and
- Are strictly followed by all Executive Directors, Independent Members and staff within the organisation.

13.2.3 The award of grant funding must comply with the policy and principles set out in the Procurement section of these SFIs and ensure that the award meets the requirements of regularity, propriety and value for money.

13.2.4 All grant guidance issued by the Welsh Ministers should have the effect as if incorporated in these SFIs.

13.3 Corporate Principles underpinning Grants Management

13.3.1 While there is a need to make the financial arrangements for awarding funding as simple and streamlined as possible, LHBs should also ensure that taxpayers' money is spent appropriately and that it provides good value for money.

13.3.2 The overarching principles for managing public resources in Wales are set out in Managing Welsh Public Money .The document states that the award of funding should be made in accordance with the law and the requirements of propriety, regularity and value for money.

13.3.3 Regularity requires compliance with appropriate authorities, regulations and legislation. Propriety requires both public authorities and funded bodies to deliver appropriate standards of conduct, behaviour and corporate governance. In addition, the public expects official decisions to be made fairly and impartially with public money spent wisely and appropriately, delivering value for money and ensuring that best use is made of resources.

13.3.4 The **corporate principles** of grants management are:

- The development of grant management processes and procedures that are transparent, accountable, proportionate and consistent;
- The delivery of a high-quality regulatory framework that responds to demands but does not place unnecessary administrative burdens on LHBs or funded bodies;
- A regulatory framework that will take into consideration the need for proportionality, balancing the need for governance with the burden of administration, thus striking an appropriate balance between accountability and simplicity;
- An effective grant management process to ensure funded bodies spend the funding efficiently, transparently and for the purpose intended, with a view to maximising the impact and outcome from budgets;
- An appropriate evidence-based approach to underpin the design and development of all new funding programmes to ensure efficient and effective use of public funds, ensuring that the funding programme is the optimal solution and that funding is targeted where it is most needed and where it can have most impact;
- A consistent framework that will reinforce respect and effectiveness of the rules for both administrators and funded bodies; and
- Compliance of the grant funding with State aid requirements in

accordance with the State aid rules.

13.4 Grant Procedures

13.4.1 It is vital that money is put to use in a way that delivers the maximum benefit to the people of Wales. Grants funding programmes need to be managed as efficiently and cost effectively as possible to make sure that every penny is spent appropriately and in an accountable manner. When establishing grant funding programmes, LHBs should ensure principles of good practice available from a number of external sources are considered and reflected in grant programmes.

13.4.2 Health Boards must agree a clear purpose for each grant and how it will measure the delivery organisation's success in delivering those purposes. It should also agree appropriate targets with the delivery organisation.

13.4.3 For grant programmes that span a number of financial years, the LHB is responsible for evaluating the programmes to ensure they are fit for purpose, achieving required outcomes and continue to provide value for money.

13.4.4 LHBs are responsible for ensuring that appropriate procedures exist in relation to all the grants and funding for which they are accountable. **They are also responsible for ensuring that any grant provided to an entity that engages in economic activity complies with the State aid rules.**

13.4.5 LHBs are required to undertake due diligence checks on all potential delivery organisations to determine the economic and financial viability of any organisation(s) to administer public funds, and the reliability of the organisation(s). These checks are important in order to identify any risks or issues that could expose the LHB to potential financial loss, fraud or reputational damage. A proportionate level of due diligence should be carried out, both prior to the award of any grant funding and throughout the life of the award.

13.4.6 The LHB must enter into legally binding funding agreements with all delivery organisations. When developing funding agreements, the LHB should ensure principles of good practice available from a number of external sources are considered and reflected.

13.4.7 The LHB is responsible for ensuring that all third-party delivery organisations comply with and adhere to the terms and conditions of the Funding Agreement.

14. PAY EXPENDITURE

14.1 Remuneration and Terms of Service Committee

14.1.1 In accordance with SOs the Board shall establish a Remuneration and Terms of Service Committee, with clearly defined terms of reference and operating arrangements that specify which posts fall within its area of responsibility. This Standing Financial Instruction should be read in conjunction with Standing Order 3.4.

14.1.2 The Committee shall report in writing to the Board the basis for its decisions made under the delegated authority from the Board (as per schedule 1 in Standing Orders). The Board shall use the report as the basis for their decisions but remain accountable for taking decisions on the remuneration and terms of service of Directors and other senior employees, in accordance with the framework set by the Welsh Ministers. Minutes of the Board's meetings should record such decisions.

14.1.3 The Board will, after due consideration and amendment if appropriate approve proposals presented by the Chief Executive for the setting of remuneration and terms of service for those employees and officers not covered by the Committee.

14.1.4 The LHB will remunerate the Chair, Chief Executive, Executive Directors and Independent Members of the Board in accordance with instructions issued by the Welsh Ministers. Welsh Ministers approval will be required in the exceptional event that remuneration needs to be above the maximum of the salary band range, administratively this approval will be exercised by the Director General HSSG.

14.1.5 The Remuneration and Terms of Service Committee will consider cases of redundancy and Voluntary Early Release applications. The Remuneration and Terms of Service Committee will consider any novel employment and pay cases, such as compromise agreements and non-disclosure agreements, ensuring Welsh Government advice has been sought and considered.

14.2 Funded Establishment

14.2.1 The workforce plans incorporated within the approved Integrated Medium-Term Plan will form the funded establishment, i.e., the budget for all approved posts. (The financial budgets (£) and workforce establishment budgets (budgeted whole-time equivalents) as per SFI 5.1.1 g)

14.2.2 The funded establishment of any department may not be varied without the approval of the Chief Executive or an officer with delegated authority.

14.3 Staff Appointments

14.3.1 Staff must only be engaged by authorised managers, in accordance with the Board's Scheme of Delegation. The engagement must be within the approved budget and funded establishment.

14.3.2 No Board member or LHB official may engage, re-engage, or re-grade employees, either on a permanent or temporary nature, or hire agency staff, or agree to changes in any aspect of remuneration outside the limit of their approved budget and funded establishment unless authorised to do so by the Chief Executive.

14.4 Pay Rates and Terms and Conditions

14.4.1 The Board will approve procedures presented by the Chief Executive for the determination of commencing pay rates, condition of service, etc, for employees in accordance with pay, terms and conditions set out in Ministerial directions on Agenda for Change and Medical and Dental pay, and any staff with pre-existing terms and conditions of service, following a TUPE transfer into employment or ad hoc salaried staff.

14.4.2 The Remuneration Committee will determine pay rates and conditions of services for board members, and other senior employees, in accordance with ministerial instructions.

14.5 Payroll

14.5.1 The Director of Workforce and Organisational Development, has responsibility for securing an efficient, well-controlled payroll service from NHS Wales Shared Services Partnership that:

- pays the correct staff with the correct amount,
- all payments are supported by properly authorised documentation.

14.5.2 The Director of Workforce and Organisational Development is responsible for:

a) The control framework and detailed procedures which are in place to:
   - To ensure all payments comply with HMRC, Pensions Agency and other regulation in relation to the deduction and payment of tax, national insurance, pension or other payments,
   - reduce the risk of fraud and error within the payroll function.

b) Specifying timetables for submission of properly authorised time records and other notifications;

c) The final determination of pay and allowances including verification that the rate of pay and relevant conditions of service are in accordance with current agreements;

d) Agreeing the timing and method of payment with the payroll service;

e) Authorising the release of payroll data where in accordance with the provisions of the applicable Data Protection Legislation (the Data Protection Act 2018 and the UK General Data Protection Legislation;

f) Verification and documentation of data;

g) The timetable for receipt and preparation of payroll data and the payment of employees and allowances;

h) Maintenance of subsidiary records for superannuation, income tax, social security and other authorised deductions from pay;

i) Security and confidentiality of payroll information;

j) Checks to be applied to completed payroll before and after payment; and

k) A system to ensure the recovery from those leaving the employment of the LHB of sums of money and property due by them to the LHB.

14.5.3 The Chief Executive is responsible for:

a) Ensuring that arrangements for a payroll service from NHS Wales Shared Services Partnership (NWSSP) is supported by appropriate Service Level Agreements, terms and conditions, adequate internal controls and internal audit review procedures;

b) Ensuring a sound system of internal control and audit review of any internally provided payroll service; and

c) Maintenance and/or the authorisation of regular and independent reconciliation of pay control accounts.

14.5.4 Appropriately nominated managers have delegated responsibility for:

a) Submitting time records, and other notifications in accordance with agreed timetables;

b) Completing time records and other notifications in accordance with the Service Level Agreements; and

c) Submitting termination forms in the prescribed form immediately upon knowing the effective date of an employee's or officer's resignation, termination or retirement. Where an employee fails to report for duty or to fulfil obligations in circumstances that suggest they have left without notice, the Director of Workforce and Organisational Development and/or Chief Executive must be informed immediately. In circumstances where fraud is suspected, this must be reported to the Director of Finance.

14.6 Contracts of Employment

14.6.1 The Director of Workforce and Organisational Development must:

a) Ensure that all employees are issued with a Contract of Employment in a form approved by the Board and which complies with employment legislation; and

b) Deal with variations to, or termination of, contracts of employment.

15. CAPITAL PLAN, CAPITAL INVESTMENT, FIXED ASSET REGISTERS AND SECURITY OF ASSETS

15.1 Capital Plan

15.1.1 Capital plans, and annual capital programmes, must be approved by the Board before the commencement of a financial year and should be in line with the objectives set out in the approved Integrated Medium-Term Plan (IMTP) for the organisation. The actual capital plan and programmes must be delivered within Welsh Government capital finance resource limits.

15.1.2 The Director of Planning (or nominated responsible director) will develop a capital plan, and detailed capital programme, for the organisation that sets out a detailed capital investment plan to support the objectives set out in the IMTP. The capital programme must be affordable and within the capital allocations, as set out in the Welsh Government (WG) Capital Resource Limit for the year, and the LHB must not exceed the allocation resource limit. There must be an approved revenue funding plan in place to support any revenue costs associated with the capital plan. Regular updates must be provided to the Board, and relevant Board Committees, during the financial year.

15.1.3 The Board must approve a three-year Capital Plan, and an annual Capital Programme, as set out in the Integrated Medium-Term Plan and Budgetary Control chapters of these SFI.

15.2 Capital Investment Decisions

15.2.1 Robust business case and capital investment appraisal must be undertaken prior to formal submission to Welsh Government, the level of detail within the appraisal commensurate with the value and risk of the investment. Capital investment decisions should be undertaken in line with Welsh Government requirements and guidance for the development of business cases as set out in:

- NHS Wales Infrastructure Investment Guidance (Welsh Health Circular WHC (2018) 043) https://gov.wales/nhs-wales-infrastructure-investment-guidance
- Better business cases: investment decision-making framework https://gov.wales/better-business-cases-investment-decision-making-framework

15.2.2 The Director of Finance must provide a professional opinion on the financial elements of the business case. Capital investment decisions will be taken by the organisation in line with the financial thresholds specified by Welsh Government and in the Health Board's Scheme of

Delegation.

15.3 Capital Projects

15.3.1 The Chief Executive shall ensure that any capital investment above the Welsh Ministers' delegated limit is not undertaken without approval of the Welsh Ministers and that formal confirmation of capital resources has been received.

15.3.2 When capital investment decisions are taken and a Capital Programme is approved the project cannot be initiated until the authority to commit expenditure is formally delegated to a manager, in line with the organisation's Scheme of Delegation. The capital project must then be procured in line with normal procurement procedures or the Designed for Life or other approved procurement framework and in line with Welsh Government requirements and guidance and the applicable procurement legislation. Management control and financial reporting systems must be established to ensure that the project is:

- delivered on time;
- on budget; and
- within contractual obligations.

15.3.3 Project management controls and financial reporting systems must be established to ensure these objectives are met. Reporting requirements to Welsh Government will be set out in the approval letter provided post Ministerial approval.

15.3.4 Regular updates must be provided to the Board, and relevant Board Committees, during the financial year.

15.4 Capital Procedures and Responsibilities

15.4.1 The Chief Executive:

a) Shall ensure that there is an adequate appraisal and approval process in place for determining capital expenditure priorities and the effect of each proposal upon plans;

b) Is responsible for the management of all stages of capital schemes and for ensuring that schemes are delivered on time and to cost;

c) Shall ensure that any capital investment above the Welsh Ministers' delegated limit is not undertaken without approval of the Welsh Ministers and that confirmation of capital resources has been received;

d) Shall ensure that the three-year Capital Plan, and detailed annual

Capital Programme, is approved by the Board, as part of the IMTP, prior to the commencement of the financial year;

e) Shall ensure the availability of resources to finance all revenue consequences of the investment, including capital charges; and

f) Shall ensure that any 3rd party use of NHS estate is properly controlled, reimbursed and reported. This will include ensuring that appropriate security, insurance and indemnity arrangements are in place and that there is a written agreement as to each party's responsibilities and liabilities.

15.4.2 For every capital expenditure proposal, the Chief Executive shall ensure:

a) That a business case is produced in line with Welsh Ministers' guidance and where appropriate the 5-case Model;

b) That the Director of Finance has certified professionally to the costs and revenue consequences detailed in the business case and involved appropriate LHB personnel and external agencies in the process.

15.4.3 For capital schemes where the contracts stipulate stage payments, the Chief Executive will issue procedures for their management in accordance with the Welsh Ministers' guidance.

15.4.4 The approval of a capital programme by the Health Board shall not constitute approval for the initiation of expenditure on any scheme.

15.4.5 The Chief Executive shall issue to the manager responsible for any scheme:

a) Specific authority to commit expenditure;

b) Authority to proceed to tender; and

c) Approval to accept a successful tender.

15.4.6 The Chief Executive will issue a scheme of delegation for capital investment management in accordance with the Welsh Ministers' guidance and the LHB's SOs.

15.4.7 The Director of Planning and Director of Finance shall issue detailed procedures governing the project, financial and contractual management, including variations to contract, of capital investment projects and valuation for accounting purposes. These procedures shall

fully take into account the requirements and delegated limits for capital schemes set out in Welsh Ministers' guidance and approval letters. The procedures will also cover post project benefits realisation to ensure benefits set out in the business case supporting the investment are delivered. The Director of Finance shall issue procedures for the regular reporting of expenditure and commitment against authorised expenditure.

15.4.8 The Director of Finance shall ensure, for each capital project over £2m, that the Welsh Government Project Bank Accounts policy is applied unless there are compelling reasons not to do so. The Director of Finance should apply to Welsh Government officials for exemption from use of Project Bank Accounts, setting out the compelling reasons.

15.5 Capital Financing with the Private Sector

15.5.1 The LHB must not enter into any new capital financing arrangements with the private sector, including Private Financing Initiatives, Mutual Investment Model and 3rd Party Developments, without the consent of the Welsh Ministers.

15.6 Asset Registers

15.6.1 The Chief Executive is responsible for the maintenance of registers of assets, taking account of the advice of the Director of Planning and Director of Finance, concerning the form of any register and the method of updating, and arranging for a physical check of assets against the asset register to be conducted periodically.

15.6.2 The LHB shall maintain an asset register recording fixed assets. The minimum data set to be held within these registers shall be in accordance with the Welsh Ministers' guidance and to satisfy the financial disclosure requirements for the Annual Accounts.

15.6.3 Additions to the fixed asset register must be clearly identified to the operational or departmental manager or delegated budget holder and be validated by reference to appropriate documentation to provide evidence of the financial value recorded, including:

a) Properly authorised and approved agreements, architect's certificates, supplier's invoices and other documentary evidence in respect of purchases from third parties;

b) Stores, requisitions and wages records for own materials and labour including appropriate overheads; and

c) Lease agreements in respect of assets held under a finance lease

and included on the LHB's balance sheet.

15.6.4 Where capital assets are sold, scrapped, lost or otherwise disposed of, their value must be removed from the accounting records and each disposal must be validated by reference to authorisation documents and invoices (where appropriate). Disposal receipts are to be treated in accordance with the Welsh Ministers' guidance and clearly set out in the over-arching business case.

15.6.5 The Director of Finance shall apply accounting policies for fixed assets in line with Welsh Government guidance and accounting standards and values recorded in the asset register, including depreciation and revaluations. The Director of Finance shall approve procedures for reconciling balances on fixed assets accounts in general ledgers against balances on fixed asset registers.

15.6.6 The value of each asset, and depreciation, shall be considered annually in accordance with valuation guidance and methods specified by the Welsh Ministers. Assets should be considered for early revaluation where there is the likelihood of impairment as a result in a change of valuation or asset life.

15.7 Security of Assets

15.7.1 The overall control of fixed assets is the responsibility of the Chief Executive.

15.7.2 Asset control procedures (including fixed assets, cash, cheques and negotiable instruments, and also including donated assets) must be approved by the Director of Finance. This procedure shall make provision for:

a) Recording managerial responsibility for each asset;

b) Identification of additions and disposals;

c) Identification of all repairs and maintenance expenses;

d) Physical security of assets;

e) Regular verification of the existence of, condition of, and title to, assets recorded;

f) Identification and reporting of all costs associated with the retention of an asset; and

g) Reporting, recording and safekeeping of cash, cheques, and

negotiable instruments.

15.7.3 All discrepancies revealed by verification of physical assets to fixed asset register shall be notified to the Director of Planning and Director of Finance.

15.7.4 Whilst individual officers have a responsibility for the security of property of the LHB, it is the responsibility of Board members and senior LHB officers in all disciplines to apply such appropriate routine security practices in relation to NHS property as may be determined by the Board. Any breach of agreed security practices must be reported in accordance with agreed procedures.

15.7.5 Any damage to the LHB's premises, vehicles and equipment, or any loss of equipment, stores or supplies must be reported by Board members and LHB officers in accordance with the procedure for reporting losses.

15.7.6 Where practical, assets should be marked as LHB property.

16. STORES AND RECEIPT OF GOODS

16.1 General position

16.1.1 Stores, defined in terms of controlled stores and departmental stores (for immediate use) should be:

a) Kept to a minimum;
b) Subjected to annual stock take; and
c) Valued at the lower of cost and net realisable value.

16.2 Control of Stores, Stocktaking, condemnations and disposal

16.2.1 Subject to the responsibility of the Director of Finance for the systems of financial control, overall responsibility for the control of stores shall be delegated to a senior officer by the Chief Executive. The day-to-day responsibility may be delegated by them to departmental officers/managers and stores managers/keepers, subject to such delegation being entered in a record available to the Director of Finance. The control of any pharmaceutical stocks shall be the responsibility of a designated Pharmaceutical Manager; the control of any fuel oil and coal of a designated estates manager.

16.2.2 The responsibility for security arrangements and the custody of keys for any stores and locations shall be clearly defined in writing by the designated manager/Pharmaceutical Manager. Wherever practicable, stocks should be marked as health service property.

16.2.3 The Director of Finance is responsible for developing financial control systems and procedures for the regulation and operation of the stores, to include the accounting arrangements for receipt, issues, and returns of goods to stores, and losses.

16.2.4 Stocktaking arrangements shall be agreed with the Director of Finance and there shall be a physical check covering all items in store at least once a year.

16.2.5 Where a complete system of controlled stores is not justified, alternative stores arrangements shall require the approval of the Director of Finance.

16.2.6 The designated officer/manager shall be responsible for a system approved by the Director of Finance for a review of slow moving and obsolete items and for condemnation, disposal, and replacement of all unserviceable articles. The designated officer/manager shall report to the Director of Finance any evidence of significant overstocking and of any negligence or malpractice (see also overlap with SFI 17, Disposals

and Condemnations, Losses and Special Payments). Procedures for the disposal of obsolete stock shall follow the procedures set out for disposal of all surplus and obsolete goods.

16.3 Goods supplied by an NHS supplies agency

16.3.1 For goods supplied via NHS Wales Shared Services Partnership – Procurement Services (NWSSP-PS) or any other NHS purchasing and supplies agency central warehouses, the Chief Executive shall identify those authorised to requisition and accept goods from the store. The authorised person shall check receipt against the delivery note before forwarding this to the Director of Finance or authorised officer who shall satisfy himself that the goods have been received before accepting the recharge.

17. DISPOSALS AND CONDEMNATIONS, LOSSES AND SPECIAL PAYMENTS

17.1 Disposals and Condemnations

17.1.1 The Director of Finance must prepare detailed procedures for the disposal of assets and goods, including condemnations, and ensure that these are notified to managers.

17.1.2 When it is decided to dispose of a LHB asset and goods, the head of department or authorised deputy will determine and advise the Director of Finance of the estimated market value of the item, taking account of professional advice where appropriate.

17.1.3 All unserviceable assets and goods shall be:

a) Condemned or otherwise disposed of by an officer, the Condemning Officer, authorised for that purpose by the Director of Finance;

b) Recorded by the Condemning Officer in a form approved by the Director of Finance which will indicate whether the assets and goods are to be converted, destroyed or otherwise disposed of. All entries shall be confirmed by the countersignature of a second officer authorised for the purpose by the Director of Finance.

17.1.4 The Condemning Officer shall satisfy themselves as to whether or not there is evidence of negligence in use and shall report any such evidence to the Director of Finance who will take the appropriate action.

17.2 Losses and Special Payments

17.2.1 Losses and special payments are items that the Welsh Government would not have contemplated when it agreed funds for NHS Wales or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments, and special notation in the accounts to draw them to the attention of the Welsh Government.

17.2.2 The Director of Finance is responsible for ensuring procedural instructions on the recording of and accounting for losses and special payments are in place; and that all losses or special payments cases are properly managed in accordance with the guidance set out in the Welsh Government's Manual for Accounts.

17.2.3 Any officer discovering or suspecting a loss of any kind must either immediately inform their head of department, who must immediately inform the Chief Executive and/or the Director of Finance or inform an officer charged with responsibility for responding to concerns involving loss. This officer will then appropriately inform the Director of Finance and/or the Chief Executive.

17.2.4 Where a criminal offence is suspected, the Director of Finance must immediately inform the police if theft or arson is involved. In cases of fraud and corruption or of anomalies which may indicate fraud or corruption, the Director of Finance must inform the Local Counter Fraud Specialist (LCFS) and the CFS Wales Team in accordance with Directions issued by the Welsh Ministers on fraud and corruption.

17.2.5 The Director of Finance or the LCFS must notify the Audit Committee, the Auditor General's representative and the fraud liaison officer within the Welsh Government's Health and Social Services Group Finance Directorate of all frauds.

17.2.6 For losses apparently caused by theft, arson, neglect of duty or gross carelessness, except if trivial, the Director of Finance must notify:

a) The Audit Committee on behalf of the Board, and

b) An Auditor General's representative.

17.2.7 The Director of Finance shall be authorised to take any necessary steps to safeguard the LHB's interests in bankruptcies and company liquidations.

17.2.8 The Director of Finance shall ensure all financial aspects of losses and special payments cases are properly registered and maintained on the centralised Losses and Special Payments Register and that 'case write-off' action is recorded on the system (i.e. case closure date, case status, etc.).

17.2.9 The Audit Committee shall approve the writing-off of losses or the making of special payments within delegated limits determined by the Welsh Ministers and as set out by Welsh Government in its Losses and Special Payments guidance as detailed in Schedule 3 of the SOs.

17.2.10 For any loss or special payments, the Director of Finance should consider whether any insurance claim could be made from the Welsh Risk Pool or from other commercial insurance arrangements.

17.2.11 No losses or special payments exceeding delegated limits shall be authorised or made without the prior approval of the Health and Social

Services Group Director of Finance.

17.2.12 All novel, contentious and repercussive cases must be referred to the Welsh Government's Health and Social Services Group Finance Directorate, irrespective of the delegated limit.

17.2.13 The Director of Finance shall ensure all losses and special payments are reported to the Audit Committee at every meeting.

17.2.14 The LHB must obtain the Health and Social Services Group Director General's approval for special severance payments.

18. DIGITAL, DATA and TECHNOLOGY

18.1 Digital Data and Technology Strategy

18.1.1 The Board shall approve a Digital Data and Technology Strategy which sets out the development needs of the LHB for the medium term based on an appropriate assessment of risk. The Integrated Medium-Term Plan shall include costed implementation plans of the strategy. The Board shall also ensure that a Director has responsibility for Digital Data and Technology.

18.1.2 The LHB shall publish and maintain a Freedom of Information (FOI) Publication Scheme or adopt a model Publication Scheme approved by the Information Commissioner. A Publication Scheme is a complete guide to the information routinely published by a public authority. It describes the classes or types of information about the LHB that are made publicly available.

18.2 Responsibilities and duties of the responsible Director

18.2.1 The responsible Director for Digital Data and Technology has responsibility for the accuracy, availability and security of the LHB digital systems and data and shall:

a) Devise and implement any necessary procedures to ensure adequate (reasonable) protection and availability of the LHB's digital systems and data, for which they are responsible from accidental or intentional disclosure to unauthorised persons, deletion or modification, theft or damage, having due regard for the Network and Information Systems Regulations 2018, the UK General Data Protection Legislation and any relevant domestic law considerations via the Data Protection Act 2018;

b) Ensure that, following risk assessment of threats, adequate (reasonable) controls exist over access to systems, data entry, processing, storage, transmission and output to ensure security, privacy, accuracy, completeness, and timeliness of the data, as well as the efficient and effective operation of the system;

c) Ensure that an adequate management (audit) trail is maintained of access to digital systems and data and that such audit reviews as the Director may consider necessary to meet the organisational requirements under the Network and Information System Regulations 2018 are being carried out;

d) Shall ensure that policies, procedures and training arrangements are in place to ensure compliance with information governance law and the Network and Information System Regulations 2018; and

e) Shall ensure comprehensive incident reporting.

18.3 Responsibilities and duties of the Director of Finance

18.3.1 The Director of Finance shall need to ensure that new financial data and systems, and amendments to current financial data and systems, are developed in a controlled manner and thoroughly tested prior to implementation and business as usual phases. Where this is undertaken by another organisation, assurances of adequacy must be obtained from them prior to implementation and business as usual phases.

18.4 Contracts for data and digital services with other health bodies or outside agencies

18.4.1 The responsible Director for Digital Data and Technology shall ensure that contracts for data and digital services for clinical, management and financial applications with another health organisation or any other agency shall clearly define the responsibility of all parties for

- the security, privacy, accuracy, completeness, and timeliness of data during processing, transmission and storage, and
- the availability of the service including the resilience required to maintain continuity of the service.

The contract should also ensure rights of access for audit purposes.

18.4.2 Where another health organisation or any other agency provides a data or digital service for clinical, management and financial applications, the responsible Director for Digital Data and Technology shall, to maintain the confidentiality, integrity and availability of the service provided, periodically seek assurances that adequate controls, based on risk assessment, are in operation.

18.5 Risk assurance

18.5.1 The responsible Director for Digital Data and Technology shall ensure that the risks to the LHB arising from the use of data, information and digital are effectively identified and considered and that appropriate action is taken to mitigate or control risk. This shall include the preparation and testing of appropriate resilience plans, including both a business continuity and disaster recovery plan.

19. PATIENTS' PROPERTY

19.1 LHB Responsibility

19.1.1 The LHB has a responsibility to provide safe custody for money and other personal property (hereafter referred to as "property") handed in by patients, in the possession of patients that lack capacity, or found in the possession of patients dead on arrival.

19.1.2 Where the Welsh Ministers' instructions require the opening of separate accounts for patient monies, these shall be opened and operated under arrangements agreed by the Director of Finance.

19.1.3 In all cases where property, including cash and valuables, of a deceased patient is of a total value in excess of £5,000 (or such other amount as may be prescribed by any amendment to the Administration of Estates (Small Payments) Act 1965 (c. 32)), the production of Probate or Letters of Administration shall be required before any of the property is released. Where the total value of property is £5,000 or less, forms of indemnity shall be obtained.

19.1.4 Staff should be informed, on appointment, by the appropriate departmental or senior manager of their responsibilities and duties for the administration of the property of patients.

19.1.5 Where patient property or income is received for specific purposes and held for safekeeping the property or income shall be used only for that purpose, unless any variation is approved by the donor or patient in writing.

19.2 Responsibilities of the Chief Executive

19.2.1 The Chief Executive is responsible for ensuring that patients or their guardians, as appropriate, are informed before or at admission, that the Health Board will not accept responsibility or liability for patient property brought onto health service premises, unless it is handed in for safe custody and a copy of an official patient property record is retained as a receipt, by:

a) Notices and information booklets;

b) Hospital admission documentation and property records; and

c) The oral advice of administrative and nursing staff responsible for admissions.

19.3 Responsibilities of the Director of Finance

19.3.1 The Director of Finance must provide detailed written instructions on the collection, custody, investment, recording, safekeeping, and disposal of patient property (including instructions on the disposal of the property of deceased patients and of patients transferred to other premises) for all staff whose duty is to administer, in any way, the property of patients. Due care should be exercised in the management of a patient's money in order to maximise the benefits to the patient.

20. FUNDS HELD ON TRUST (CHARITABLE FUNDS)

20.1 Corporate Trustee

20.1.1 Paragraph (x) of Section A to the SOs refers to the LHB having specified powers to act as corporate trustee for the management of funds it holds on trust (charitable funds). SFI 20.2 defines the need for compliance with Charities Commission latest guidance and best practice.

20.1.2 The discharge of the LHB's corporate trustee responsibilities for funds held on trust are distinct from its responsibilities for exchequer funds and may not necessarily be discharged in the same manner, but there must still be adherence to the overriding general principles of financial regularity, prudence and propriety. Trustee responsibilities cover both charitable and non-charitable purposes.

20.1.3 The LHB shall establish a Charitable Funds Committee as set out in Standing Order 3.4 to ensure that each fund held on trust which the LHB is responsible for managing is managed appropriately with regard to its purpose and to its requirements.

20.2 Accountability to Charity Commission and the Welsh Ministers

20.2.1 The trustee responsibilities must be discharged separately and full recognition given to the LHB's dual accountabilities to the Charity Commission for charitable funds and to the Welsh Ministers for exchequer funds.

20.2.2 The Schedule of Matters Reserved to the Board and the Scheme of Delegation make clear where decisions regarding the exercise of discretion regarding the disposal and use of the funds are to be taken and by whom. All Board members and LHB officers must take account of that guidance before taking action.

20.2.3 The LHB shall make appropriate arrangements for the Annual Accounts and audit of Funds held on Trust in accordance with Charity Commission requirements.

20.3 Applicability of Standing Financial Instructions to funds held on Trust

20.3.1 In so far as it is possible to do so, most of the sections of these SFIs will apply to the management of funds held on trust.

20.3.2 The over-riding principle is that the integrity of each Trust must be maintained, and statutory and Trust obligations met. Materiality must be assessed separately from Exchequer activities and funds.

21. RETENTION OF RECORDS

21.1 Responsibilities of the Chief Executive

21.1.1 The Chief Executive shall be responsible for maintaining archives for all records required to be retained in accordance with the Welsh Ministers' guidance, the UK General Data Protection Legislation and any relevant domestic law considerations via the Data Protection Act 2018, and the Freedom of Information Act 2000 (c. 36).

21.1.2 The records held in archives shall be capable of retrieval by authorised persons.

21.1.3 Records held shall only be destroyed in accordance with the applicable data protection laws and at the express instigation of the Chief Executive. Details shall be maintained of records so destroyed.

Schedule 1

GENERAL CONSENT TO ENTER INDIVIDUAL CONTRACTS

This schedule included as "General Consent to enter individual contracts" replaces all previous versions of Schedule 1 and should be read in conjunction with the revised Model Standing Financial Instructions (SFI's) issued in relation to Chapter 11 for Local Health Boards and NHS Trusts and Chapter 12 for Health Education and Improvement Wales (HEIW) and Digital Health and Care Wales (DHCW).

PROCESSES FOR NHS WALES CONTRACTS, AND INTERESTS IN PROPERTY

Paragraph 13 of Schedule 2 to the National Health Service (Wales) Act 2006 states as follows:

"(1) Subject to sub-paragraph (3), a Local Health Board may do anything which appears to it to be necessary or expedient for the purposes of or in connection with its functions.

(2) In particular it may—

(a) acquire and dispose of property,
(b) enter into contracts,
(c) accept gifts of property (including property to be held on trust, either for the general or any specific purposes of the Local Health Board or for any purposes relating to the health service).

(3) A Local Health Board may not do anything mentioned in sub-paragraph (2) without the consent of the Welsh Ministers (which may be given in general terms covering one or more descriptions of case)."

Section 10.1 of the NHS Wales Infrastructure Investment Guidance issued on 22 October 2018 ("the Investment Guidance") includes the following in relation to Local Health Boards:

"Contract approvals over £1m for individual schemes will be sought as part of the normal business case submission process where funding from the NHS Capital Programme is required. For schemes funded via discretionary allocations, a request for approval will need to be submitted to Chief Executive NHS Wales, copying in the Deputy Director of Capital, Estates & Facilities Division.

Detailed arrangements in respect of approval process linked to the acquisition and disposal of leases, where consent does not form part of the business case process are included in Welsh Health Circular WHC(2015)031.

Organisations should ensure that the monitoring arrangements and the requisite forms and returns are included as part of their own assurance arrangements."

This is also to be regarded as being applicable to HEIW and DHCW, which were both established after the two WHC's mentioned above were issued.

Section 10.2 of the Investment Guidance includes the following in relation to Trusts:

"Whilst formal Cabinet Secretary consent is not required for Trusts as detailed above, general consent arrangements are still applicable in terms of relevant transactions. Detailed requirements in terms of appropriate notifications were sent in the Welsh Health Circular referenced above."

Section 11 of the Investment Guidance also includes provision as to disposals and property protocols.

Welsh Health Circular WHC (2015) 031 issued 22 June 2015 includes arrangements for consent to acquire or dispose of a lease in property (where not covered by any business case approval process.

That WHC is also to be regarded as being applicable to HEIW and DHCW in the same way as it applies to LHBs.

Entering into contracts

This schedule confirms to all NHS Wales bodies that the authorisation and consideration of notified contracts and applications for the acquisition or disposal of a lease or any interest in property are delegated to the Director General, Health Social Care and Early Years.

The Director General may, as with any other matter relating to the operation of the NHS in Wales, brief the Cabinet Secretary for Health and Social Care on any arrangement of particular policy note, or with a novel, contentious or innovative nature.

Accordingly, any issues relevant to the exercise of the Cabinet Secretary for Health, and Social Care's consent will, as a matter of course, be drawn to his attention.

The process which NHS Wales bodies entering into contracts must follow is:

- All NHS contracts (unless exempt) >£1m in total to be notified to the Director General HSCEY prior to tendering for the contract;
- All eligible LHB and HEIW and DHCW contracts >£1m in total to

be submitted to the Director General HSCEY for consent prior to award;

- All eligible NHS Trust contracts >£1m in total to be submitted to the Director General HSCEY for notification prior to award; and
- All eligible NHS contracts >£0.5m in total to be submitted to the Director General HSCEY for notification prior to award.

The requirement for consent does not apply to any contracts entered into pursuant to a specific statutory power, and therefore does not apply to:

(i) Contracts of employment between LHBs, HEIW, or DHCW and their staff;

(ii) Transfers of land or contracts effected by Statutory Instrument following the creation of LHBs, HEIW, or DHCW;

(iii) Out of Hours contracts;

(iv) All NHS contracts; that is where one health services body contracts with another health service body;

(v) Contracts entered into by HEIW for services which are the consequences of annual commissioning approved by the Cabinet Secretary e.g. annual education and training commissioning also do not require further Ministerial notification or consent; and

(vi) Contracts between £500k - £1 million (for noting) and £1 million + (for approval).

a. Wales Public Sector Framework Agreements e.g., Frameworks established by the Welsh Government's Commercial Delivery team or NWSSP (not exhaustive) – no written approval required to award contracts under these Frameworks through a direct award or mini competition.

b. Third-Party Public-Sector Framework Agreements e.g., Frameworks established by Crown Commercial Services, NHS Supply Chain (not exhaustive) – no further approval required to award contracts under these Frameworks through a direct award. Approval will however be required for award of contracts under these Framework Agreements through mini competition or where the specification of the product/service required is modified from that stated within the Framework Agreement.

For non-capital contracts requiring DG approval, the request for approval or

notification should be sent to Rob Eveleigh in the Financial Control and Governance team: Robert.Eveleigh@gov.wales

REVISED GENERAL CONSENT TO ENTER INDIVIDUAL CONTRACTS

Y Grŵp Iechyd a Gwasanaethau Cymdeithasol
Health & Social Services Group

Llywodraeth Cymru
Welsh Government

Directors of Finance
Deputy Directors of Finance
Local Health Boards, NHS Trusts Wales, HEIW and DHCW

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BUDDSODDWYR MEWN POBL | INVESTORS IN PEOPLE

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Caerdydd • Cardiff
CF10 3NQ

Ffôn • Tel 03000 253245
Steve.elliot@gov.wales
Gwefan • website:
www.gov.wales

LHBs and HEIW

Contract approvals over £1m for individual schemes will be sought as part of the normal business case submission process where funding from the NHS Capital Programme is required. For schemes funded via discretionary allocations, a request for approval will need to be submitted to Chief Executive NHS Wales, copying in the Deputy Director of Capital, Estates & Facilities Division.

Detailed arrangements in respect of approval process linked to the acquisition and disposal of leases, where consent does not form part of the business case process will be included in a Welsh Health Circular WHC(2015)031. Organisations should ensure that the monitoring arrangements and the requisite forms and returns are included as part of their own assurance arrangements.

NHS Trusts

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The Director General may, as with any other matter relating to the operation of the NHS in Wales, brief the Minister for Health and Social Services on any arrangement of particular policy note, or with a novel, contentious or innovative nature.

Accordingly any issues relevant to the exercise of the Minister for Health and Social Service's consent will, as a matter of course, be drawn to his attention.

The process which NHS Wales bodies entering into contracts must follow is:

- All NHS contracts (unless exempt) >£1m in total to be notified to the Director General HSSG prior to tendering for the contract;

- All eligible LHB and HEIW contracts >£1m in total to be submitted to the Director General HSSG for consent prior to award;
- All eligible NHS Trust contracts >£1m in total to be submitted to the Director General HSSG for notification prior to award; and
- All eligible NHS contracts >£0.5m in total to be submitted to the Director General HSSG for notification prior to award.

The requirement for consent does not apply to any contracts entered into pursuant to a specific statutory power, and therefore does not apply to:

(i) Contracts of employment between LHBs and their staff;

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Steve Elliot & Ian Gunney
Cyfarwyddwr Cyllid dros dro - Interim Director of Finance
Dirprwy Gyfarwyddwr, Cyfalaf Ystadau a Cyfleusterau - Deputy Director Capital Estates & Facilities
Finance Directorate / Cyfarwyddiaeth Cyllid
Y Grwp Iechyd a Gwasanaethau/Health and Social Services Group

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Y Grŵp Iechyd a Gwasanaethau Cymdeithasol
Health & Social Services Group

Llywodraeth Cymru
Welsh Government

7 November 2022

Chief Executives of Local Health Boards and NHS Trusts

Dear All

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The requirement for consent does not apply to any contracts entered into pursuant to a specific statutory power, and/or Welsh Ministers direction, and therefore does not apply to:

i) Contracts of employment between LHBs and their staff;

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Gwefan • website: www.gov.wales

ii) Transfers of land or contracts effected by Statutory Instrument Model Standing Orders, Reservation and Delegation of Powers for LHBs Schedule 2.1: Standing Financial Instructions Status: Update – March 2021;
iii) Out of Hours contracts;
iv) All NHS contracts, that is where one health service body contracts with another health service body.

To ensure consistency with guidance issued to NWSSP Procurement Services, further exceptions highlighted below should be applied;

v) Contracts over £ 500k - £1 million (for noting) and £ 1 million + (for

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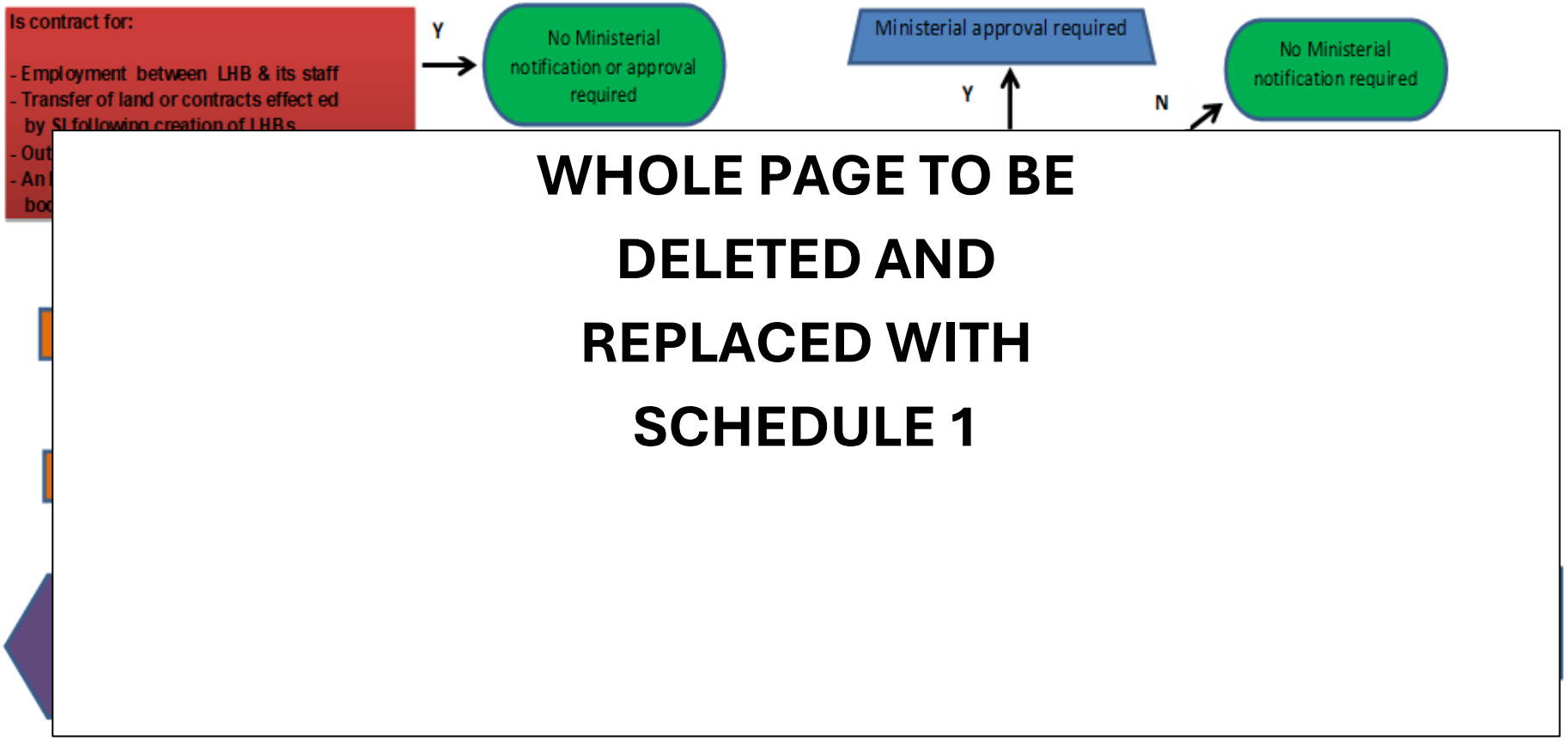
Steve Elliot

Cyfarwyddwr Cyllid dros dro | Interim Director of Finance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3 - Audit Wales

3.1

09:55, 5 Mins

3.1 - Audit Wales Update Report

Anne Beegan, Urvisha Perez

For assurance

Attachments

3.1 Audit Wales ARAC Update (24.06.25).pdf

Archwilio Cymru
Audit Wales

Audit and Risk Assurance Committee Update – **Hywel Dda University Health Board**

Date issued: June 2025

This document has been prepared for the internal use of Hywel Dda University Health Board as part of work performed / to be performed in accordance with statutory functions.

The Auditor General has a wide range of audit and related functions, including auditing the accounts of Welsh NHS bodies, and reporting on the economy, efficiency, and effectiveness with which those organisations have used their resources. The Auditor General undertakes his work using staff and other resources provided by the Wales Audit Office, which is a statutory board established for that purpose and to monitor and advise the Auditor General.

Audit Wales is the non-statutory collective name for the Auditor General for Wales and the Wales Audit Office, which are separate legal entities each with their own legal functions as described above. Audit Wales is not a legal entity and itself does not have any functions.

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Audit and Risk Assurance Committee Update

About this document

1 This document provides the Audit and Risk Assurance Committee with an update on our current and planned accounts and performance audit work at Hywel Dda University Health Board. We presented our most recent Audit Plan to the committee in April 2025.

2 We also provide additional information on:

- other relevant examinations and studies published by the Auditor General; and
- relevant corporate documents published by Audit Wales (e.g., fee schemes, annual plans, annual reports), as well as details of any consultations underway.

3 Details of future and past Good Practice Exchange (GPX) events are available on our website.

Accounts audit update

4 **Exhibit 1** summarises the status of our current and planned accounts audit work.

Exhibit 1 – accounts audit work

Area of work	Executive Lead	Focus of the work	Status	Planned date for consideration
Audit of the 2024-25 Annual Report and Accounts	Director of Finance	To provide an audit opinion on the Health Board's 2024-25 Annual Report and Accounts.	The audit is on track to be certified by 30 June 2025.	June 2025
Audit of the 2024-25 Charitable Funds Accounts	Director of Finance	To provide an audit opinion on the 2024-25 Health Boards Charitable Funds Accounts.	Not yet started	To be confirmed

Performance audit update

5 **Exhibit 2** summarises the status of our current and planned performance audit work.

Exhibit 2 – performance audit work

Area of work	Executive Lead	Focus of the work	Status	Planned date for consideration
Structured Assessment 2025 – core	Board Secretary	Our structured assessment work is designed to examine the existence of proper arrangements for the efficient, effective, and economical use of resources. Our 2024 Structured Assessment will review: • Board and committee cohesion and effectiveness; • Corporate systems of assurance; • Corporate planning arrangements; and Corporate financial planning and management arrangements.	Fieldwork underway	December 2025

Area of work	Executive Lead	Focus of the work	Status	Planned date for consideration
Review of urgent and emergency care	Director of Operations	This work will examine different aspects of the urgent and emergency care system and will include analysis of national data sets to present a high-level picture of how the unscheduled care system is currently working. The work will include an examination of the actions being taken by NHS bodies, local government, and Regional Partnership Boards to secure timely and safe discharge of patients from hospital to help improve patient flow (Part 1). We also plan to review progress being made in managing urgent and emergency care demand by helping patients access services which are most appropriate for their care needs (Part 2).	Blog and data tool published in April 2022 Part 1 – Regional and local reports being drafted Part 2 – Complete final report in today's papers	 August 2025 June 2025
Structured Assessment 2024 Deep Dive - review of investment in digital systems	Director of Finance	This review will examine digital arrangements, with a particular focus on how NHS bodies are investing in digital technologies, solutions, and capabilities to support the workforce, transform patient care, meet demand, and improve productivity and efficiency.	Project brief issued	December 2025

Area of work	Executive Lead	Focus of the work	Status	Planned date for consideration
Planned Care review	Director of Operations	This work will follow on from the national report on tackling the planned care backlog. Whilst the exact focus of this work is still to be determined, it is likely to consider: • The extent that health boards have achieved Welsh Government targets for recovering planned care services; • The efficacy of local plans and activity to recover waiting lists; and • Use of the additional Welsh Government financial allocations to improve waiting lists.	Complete - final report in today's papers	June 2025
Review of arrangements for Capital Programme Prioritisation (Local work 2023)	Director of Strategy and Planning	This work will review the Health Board's arrangements for prioritising its capital programme, including estates and equipment maintenance within the context of operating within significant financial pressures.	Complete - final report in today's papers	June 2025

Area of work	Executive Lead	Focus of the work	Status	Planned date for consideration
Review of the management of outpatients (Local work 2024)	Director of Operations	The focus of this work will be the management of outpatients, including assessing the Health Board's progress on the recommendations made in our 2015 and 2018 Review of Follow-up Outpatient Appointments. We will keep the Audit and Risk Assurance Committee updated as we develop this work.	Report drafting	October 2025
Structured Assessment 2025 Deep Dive - review of the arrangements to manage estates	To be confirmed	This review will examine the effectiveness of corporate arrangements to manage the Health Board's estate with a particular focus on how NHS bodies are prioritising resources to meet strategic priorities whilst also ensuring the current estate remains fit for purpose. When undertaking this work, we will take into account the local work which examined the Health Board's arrangements for managing capital prioritisation.	Planning	To be confirmed

Area of work	Executive Lead	Focus of the work	Status	Planned date for consideration
Review of cancer services	To be confirmed	This work will follow on from the review of national leadership arrangements for cancer services. Whilst the exact focus of this work is to be determined, it is likely to consider: • The progress NHS bodies are making towards achieving Welsh Government targets and quality standards for cancer services; • The efficacy of local plans and associated actions to recover cancer waiting lists; and • Use of the additional Welsh Government financial allocations to improve cancer services.	Planning	To be confirmed
Review of Radiology Services (Local work 2025)	To be confirmed	This work will focus on the Health Board's radiology service, with the option to follow-up recommendations made in the 2017 radiology service report. Whilst the exact scope of this work is yet to be determined, we will assess the radiology service to ensure it is delivered efficiently, effectively, and economically, and there are clear plans to meet current and future population needs.	Planning	To be confirmed

Other relevant publications

6 **Exhibit 3** provides information on other relevant examinations and studies published by the Auditor General in the last six months. The links to the reports on our website are provided. The reports highlighted in **bold** have been published since the last committee update.

Exhibit 3 – relevant examinations and studies published by the Auditor General

Title	Publication Date
Cost Savings Arrangements – A checklist for NHS Board Members	**June 2025**
The Wales Infrastructure Investment Strategy	**May 2025**
No time to lose: Lessons from our work under the Well-being of Future Generations Act	**April 2025**
The Biodiversity and Resilience of Ecosystems Duty	March 2025
Addressing workforce challenges in NHS Wales	February 2025
Cancer Services in Wales	January 2025

Additional information

7 There have been no corporate documents published by Audit Wales since the last committee update.

8 There are no relevant Audit Wales consultations currently underway.

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E-mail: info@audit.wales

Website: www.audit.wales

We welcome correspondence and telephone calls in Welsh and English.
Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.

3.2

10:00, 15 Mins

3.2 - Review of Urgent and Emergency Care

Anne Beegan, Urvisha Perez, Andrew Carruthers (Hywel Dda UHB - Chief Operating Officer), Gareth Cottrell (Hywel Dda UHB - Deputy Chief Operating Officer), Peter Skitt (Hywel Dda UHB - Clinical Care Group Service Director - Community & Integrated Medicine), Thomas Alexander (Hywel Dda UHB - Principal Programme Manager)

For assurance

Attachments

3.2 Managing Urgent and Emergency Demand.pdf

Archwilio Cymru
Audit Wales

Urgent and Emergency Care: Arrangements for Managing Demand – Hywel Dda University Health Board

Date issued: May 2025

Document reference: 4619A2024

This document has been prepared for the internal use of Hywel Dda University Health Board as part of work performed in accordance with statutory functions.

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We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

Mae'r ddogfen hon hefyd ar gael yn Gymraeg. This document is also available in Welsh.

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Summary report

About this report

1 This report sets out the findings from the Auditor General's 2024 review of the arrangements for managing demand for urgent and emergency care at Hywel Dda University Health Board (the Health Board). The work is the second phase of a programme of work focused on several elements of the urgent and emergency care system in Wales. The first phase, which examined discharge planning and the impact of patient flow on urgent and emergency care, is reported separately.

2 Our approach recognises that the urgent and emergency care system is complex, with many different organisations needing to work together to provide urgent and emergency care and to ensure the wider system operates effectively and efficiently. The Welsh Government's Six Goals for Urgent and Emergency Care Programme (Six Goals Programme) launched in 2021, provides the context for our work. At the time of our work, the urgent and emergency care system in Wales continued to be under significant pressure.

3 Our work has examined the Health Board's arrangements for managing the demand for urgent and emergency care to reduce unnecessary pressure on the system. It has been undertaken to help discharge the Auditor General's statutory duties under Section 61 of the Public Audit (Wales) Act 2004 to be satisfied that the Health Board has proper arrangements in place to ensure the efficient, effective, and economic use of its resources.

4 We undertook our work during the 2024-25 financial year. The audit methods and criteria we used to deliver our work are summarised in **Appendix 1 and 2**.

Key facts and figures

Primary Care Services	
710	Number of GP urgent and acute appointments[1] available per day per 100,000 head of GP population in September 2024 compared with the all-Wales average of 731. This is a reduction of 21.9% since April 2022.
905	Number of GP out-of-hours contacts per month per 100,000 head of GP population in July 2024 compared with an all-Wales average of 973.
0	Number of contacts at an Urgent Primary Care Centre[2], compared with an all-Wales average of 338 per 100,000 head of GP population in September 2024.

Ambulance Services	
194%	Increase in Category A (red) ambulance calls between February 2019 and February 2025 compared with an all-Wales average of 178%.
53%	Category A (red) ambulance calls responded to within eight minutes in February 2025, compared with the all-Wales average of 51% and a national target of 65%. This is a reduction of 18% from February 2019.
24%	Patients handed over from ambulance crews to the emergency department within 15 minutes of arrival in February 2025, compared with the all-Wales average of 15% and a national target of 100%. This is a reduction of 60% from February 2019.

[1] Urgent and acute appointments are defined as appointments for urgent or acute conditions which have occurred over the short-term.

[2] Hywel Dda University Health Board does not have urgent primary care centres.

Hospital Services	
9%	Increase in the number of attendances at the Health Board's Emergency Departments between February 2019 and February 2025, compared with an all-Wales average increase of 1%.
1260	Number of people waiting more than 12 hours in the Health Board's Emergency Departments in February 2025. This is an increase of 172% since February 2019.
05:24	Average time spent in the Health Board's Emergency Departments in February 2025, compared with the all-Wales average of 5 hours, 31 minutes. This is an increase of 1 hour, 48 minutes since February 2019.
219	Number of attendances to the Same Day Emergency Care units per 100,000 head of GP population in July 2024 compared with an all-Wales average of 233.

Funding	
£52.4m	Additional monies allocated to the Health Board for the period 2022-25 to recover planned and urgent and emergency care over and above the Health Board's core funding.
£5.7m	Additional in-year monies received by the Health Board in 2023-24, and 2024-25 to support delivery of the ambitions of the Six Goals Programme.

Key messages

Overall conclusion

5 Overall, we found that **changes to urgent and emergency care services are leading to some improvements in managing demand, supported by reasonable plans and effective oversight. However, poor performance in areas including ambulance handover delays continue, and there is a need to strengthen staff and patient engagement.**

Key findings

Planning arrangements

6 We found that the Health Board has reasonable plans to set out how it will implement the Six Goals Programme to better manage urgent and emergency care demand.

7 The plans align with the requirements of the Six Goals Programme. Plans set out key actions for 2024-25 which include key activities such as developing clinical streaming hubs and developing a more consistent approach to Same Day Emergency Care units across the Health Board. Plans also identity key risks, including those related to workforce and resource challenges, as well as mitigating actions for risks.

8 The Health Board shows a clear commitment to implementing these plans, including by investing its own core funding to support and expand the schemes by match-funding the six goals allocation. However, plans do not set out the required levels of staffing and lack clarity on how new models will be funded in the medium to longer term.

Accessing services

9 We found that the Health Board does not have a communications plan for its interaction with the public, staff, and stakeholders regarding urgent and emergency care. The Health Board does communicate and provide information to the public through its website and social media platforms. The Health Board does not currently evaluate the effectiveness of this communication activity, and feedback during our review, as well as from Llais indicates that there is a need to further strengthen public messaging of the purpose of services and how to access them.

10 We also found inconsistent staff engagement regarding updates to service changes and delivery. Our interviews indicated that a level of blame culture exists between staff groups in relation to admission avoidance which is negatively impacting staff engagement and the ability to find joint solutions to issues. The Health Board is investing in clinical streaming hubs to support staff to signpost and

refer patients to appropriate alternative services, though it is not clear how this aligns to the Welsh Ambulance Services NHS Trust (WAST) directory of service. Lower rates of calls to 999 and 111 across the Health Board are dealt with remotely, and lower rates of patients are treated within the community by paramedics. This suggests a need for more pathways for staff to access, with the Health Board a significant outlier for patients trying to access help for urgent dental problems.

11 The Health Board has established Same Day Emergency Care (SDEC) units to provide urgent medical assessments and treatments without overnight admissions. Additionally, a Same Day Urgent Care (SDUC) service in Cardigan caters to walk-in patients with minor injuries and illnesses. Between October 2023 and July 2024, the Health Board's SDEC attendance rate was lower than the all-Wales average, but for those attending SDECs there are discharge which indicate effective use of the units.

12 Data shows that demand is increasing in relation to red calls to 999 as well as through attendances to Emergency Departments. The rate at which ambulance crews convey patients to hospital has improved, which suggests that some of the recent service changes are making a positive impact. In addition, waiting times within Emergency Departments have improved in recent months against the four- and 12-hour targets. However, handover delays continue to be at unacceptably high levels which is likely to be causing patient harm, both for the patients waiting to be transferred to the hospital, as well as for patients in the community who are awaiting an ambulance response.

Scrutiny and monitoring arrangements

13 The Health Board has dashboards to enable it to track and report the use of urgent and emergency care services, and it is engaging with other health boards to identify and adopt good practice. It regularly seeks patient feedback with recent scores on the CIVICA survey showing improvement across several key aspects of urgent and emergency care. However, it is not clear how the Health Board uses this feedback to improve services. Furthermore, the collation of staff feedback is not consistent.

14 Oversight and scrutiny of plans and performance is effective. There is operational oversight of performance and plan progress by the Health Board’s Improved Quality, Performance and Finance Delivery Group. However, WAST is not involved in strategic discussions or oversight of plans, which limits the ability of the Health Board to ensure plans are effective across the whole of the urgent and emergency care system. There is also scope to evaluate projects and investment of the Six Goals funding more consistently.

Recommendations

15 **Exhibit 1** details the recommendations arising from our work. The Health Board's management response to our recommendations is summarised in **Appendix 3**.

Exhibit 1: recommendations

Recommendations
Identifying data used to inform plans for urgent and emergency care R1 To ensure that priorities are reflective of and align to up-to-date information such as demands for service, service capacity and future demographic pressures, the Health Board should clearly indicate the data used to inform its future plans for urgent and emergency care **(Exhibit 2).**
Six Goals Programme Funding R2 To support the on-going delivery of Six Goals related initiatives, the Health Board needs to clarify and confirm the funding arrangements for schemes beyond March 2025. Plans for future years should also identify any funding needs beyond their current annual allocation **(Exhibit 2).**
Signposting patients to urgent dental services R3 To help address the high demand for urgent care due to dental problems the Health Board should ensure dental practices provide clear, accessible information about urgent and emergency care services on their websites and conduct a future audit to ensure compliance. **(Paragraph 28)**.
Signposting patients to the right services R4 To ensure that patients receive the urgent and emergency care that is most appropriate to their needs, the Health Board should liaise with Llais and other patient representative groups as appropriate to help identify where current patient information and signposting arrangements need strengthening **(Paragraph 32).**
Alignment between the directory of service and clinical streaming hubs R5 To ensure alignment between the information held by the Health Board and by WAST on available pathways and referral mechanisms, the Health Board

Recommendations

should work with WAST to set out clearly how its clinical streaming hubs and the WAST directory of service work together effectively (**Paragraph 37**).

Deep dive into performance related to dental services

R6 Data reviewed as part of this work identified that demand in the region relating to urgent dental services is significantly higher than the all-Wales average, despite performance against contracts being poor. To ensure it is maximising efficiency and mitigating this pressure, the Health Board should undertake a deep dive into its urgent care demand for dental services (**Paragraph 41**).

Progress against busiest day review

R7 To ensure the Health Board is maximising the learning identified in its busiest day review in November 2023, it should provide the Finance and Performance committee with an update against recommendations (**Paragraph 43**).

Monitor compliance with national SDEC referral guidance

R8 To gain assurance that the Health Board is complying with the national SDEC referral guidance, it should conduct an audit of its SDEC data against the criteria and report the results to an appropriate committee or forum (**Paragraph 54**).

Access to GP records for Same Day Urgent Care Centre

R9 The Health Board should review the feasibility of enabling the Same Day Urgent Care Centre access to GP records to improve efficiency of the service **(Paragraph 55).**

Ensuring data quality to inform plans

R10 The Health Board should: review and regularly validate the data that is currently available for urgent and emergency care so more assurance can be taken when making decisions based on the data available (**Exhibit 9**)

Recommendations

Use of patient feedback

R11 To ensure the Health Board is building on feedback from patients, future plans for urgent and emergency care should demonstrate how they have considered patient feedback **(Exhibit 9)**.

Staff feedback on service changes

R12 To identify potential weaknesses or learning in relation to recent changes to its urgent and emergency care services, the Health Board should introduce regular mechanisms for staff feedback. This should include feedback from key partners including primary care and WAST (**Exhibit 9**).

Oversight & Scrutiny

R13 To strengthen its ability to join up strategic plans and service changes for its urgent and emergency care services, the Health Board should include WAST as a member of its Six Goals Integrated Operational Group **(Exhibit 10)**.

Evaluating project benefits

R14 To strengthen its reporting of the benefits achieved from its Six Goals Programme work and associated use of funding, the Health Board should develop and communicate guidance for staff on how to evaluate the effectiveness of projects, initiatives and service changes relating to urgent and emergency care services **(Exhibit 10)**.

Detailed Report

Planning arrangements

16 This section considers whether the Health Board has robust plans in place to manage the demand on urgent and emergency care services. We were specifically looking for evidence of plans:

- being informed by relevant and up to date information;
- identifying and seeking to address key risks associated with urgent and emergency care services;
- aligning with requirements of the Six Goals Programme, and clearly setting out how alternative clinical pathways will work; and
- identifying the current and required levels of resource and staffing to achieve the intended ambitions.

17 We reviewed the Health Board's Six Goals Delivery Plan 2024-25 (Six Goals Plan) along with relevant sections of its Annual Plan: Three-year intent 2024-27 focused on urgent and emergency care.

18 We found that **there are reasonable plans to manage demand, supported by investment from the Six Goals Programme and the Health Board. However, plans do not set out the required levels of staffing and lack clarity on how new models will be funded in the medium to longer term.**

19 The findings from our review of plans are summarised in **Exhibit 2**.

Exhibit 2: approach to planning urgent and emergency care services

Audit question	Yes/ No/ Partially	Findings
Plans are informed by relevant and up to date information?	**No**	The Health Board's plans do not clearly indicate what data and information has been used for their development **(Recommendation 1)**. Furthermore, staff reported that whilst they had access to data to inform plans, they could not be totally assured by the data that is currently available.
Plans identify and seek to address key risks associated with urgent and emergency care services?	**Yes**	The Health Board's plans identify key risks and mitigating actions. The Six Goals Plan is supported by a Risk Actions Issues and Decision log. Individual risk areas are given a severity rating, assigned a risk owner and given a mitigating action plan. Risks are monitored through the Six Goals Integrated Operational Group. Some of the risks

Audit question	Yes/ No/ Partially	Findings
		listed on the Risk Actions Issues and Decision log are particularly challenging as they relate to workforce and resource challenges. The Corporate Risk Register (CRR) identifies these risks in more detail with capacity pressures and high levels of risk escalation across acute sites daily. The Health Board has several controls in place and is tracking progress. Another key risk in managing urgent and emergency care services listed on the CRR is a lack of physical space and related infrastructure which limits the services the Health Board can provide, such as SDEC.
Plans align with requirements of the Six Goals for Urgent and Emergency Care Programme, and clearly setting out how the alternative clinical pathways will work?	**Yes**	The Health Board plans align with the requirements of the Six Goals Programme. Plans set out the Health Board's intentions to regionalise clinical streaming hubs, further develop the frailty model at the front door and have a more consistent approach to Same Day Emergency Centres (SDECs), including piloting surgical SDECs[3]. Plans also detail the Health Board's approach to implementing a 24/7 Urgent Care Service and Accelerated Cluster Development. The Health Board does not have specific urgent primary care centres as they have decided to manage demand through existing services. In addition, the Health Board plans set out a clear focus on pathway redesign, developing the WAST directory of services and improving specialist advice and guidance lines.
Plans identify the current and required levels of resource and staffing to achieve the intended ambitions?	**Partially**	The Health Board costed its 2024-25 Six Goals Plan at £5.6 million. It received an allocation of £2.8 million from Welsh Government and committed to provide the remaining £2.8 million from its core allocation. As of month 10, of 2024-25 expenditure of the Six Goals allocation was on track. The Six Goals Plan does not provide detail related to the use of other funding on initiatives/ programmes related to urgent and emergency care

Audit question	Yes/ No/ Partially	Findings
		services, such as the Further Faster fund or Regional Integrated Fund. There is also no detail within the plan as to how it would manage slippage or overspends or any potential funding needs beyond March 2025 for the initiatives described. Beyond identifying high-level pay costs, the Six Goals Plan does not clearly describe the required levels of staffing needed to achieve the stated deliverables and ambitions. (**Recommendation 2**).

Source: Audit Wales

Accessing services

20 This section considers whether the Health Board has robust arrangements in place to encourage and enable people to access the right care, in the right place, at the right time, and whether these are working. We were specifically looking for evidence of:

- effective signposting of patients to the urgent and emergency care services that best meets their needs;
- staff having good knowledge of, and information on the range of services available to patients; and
- changes to service delivery resulting in improvements in access to urgent and emergency care services.

21 We found that **changes to urgent and emergency care services are resulting in better demand management in some areas, but better staff and public engagement is needed to guide access to services and handover delays remain unacceptably high.**

Signposting of services to the public

22 We found that **some arrangements are in place to signpost services to the public, but arrangements are not strategic and are largely web-based, with feedback suggesting a need to improve public awareness of services.**

Communication plans

23 The Health Board does not have a standalone communications plan setting out how it communicates urgent and emergency care messages to the public, its staff,

and other agencies. In April 2024, the Health Board took part in a Welsh Government stocktake analysis of communication activity. This analysis showed that most of its public communication activity is via social media to signpost patients to suitable alternatives to the Emergency Department and to inform them of potential lengthy waiting times.

24 There are differences in urgent and emergency care services in place across the Health Board's three counties. These differences can make it more difficult for patients and staff to understand how to access services. The Risk Actions Issues and Decision (RAID) log which supports the Health Board's Six Goals Plan recognises a need to develop communication and engagement plans and the communications team is represented within the Six Goal Programme group structure. However, the log states that communication and engagement plans will be developed 'as required' rather than as a strategic long-term, integrated approach.

Public information

25 The first point of call for most patients with an urgent need may be their GP, and our review of available data suggests that between October 2023 and September 2024, the Health Board's GP practices provided, on average, a higher level of urgent and acute appointments per day (837 appointments per day) compared to the all-Wales average (809 appointments per day) per 100,000 head of GP population. However, the level has been decreasing over time, dropping from 856 appointments per day in October 2023 to 710 in September 2024, which was the third lowest in Wales. Furthermore, these appointments are only available during the day, and in times of high demand and out of hours, patients need to be signposted to alternative services that can meet their urgent care needs.

26 Our review of the Health Board's website and social media pages showed that they signpost patients to information on a range of suitable services, including how to access 111, symptom checkers, community pharmacy, the out of hours service and mental health services. At the time of our fieldwork, a banner was displayed across the Health Board website which stated that all its Emergency Departments were under significant pressure. The banner provided a link to a webpage on when to use an emergency department or alternative services. However, the banner has been in place for several months and it is not clear if the use of this banner is reviewed regularly to reflect current circumstances.

27 We also considered what information is available to the public via GP and dental practices to assess whether there was clear signposting for patients if they have urgent or emergency care needs out of hours. **Exhibit 3** sets out the results of this work, which reviewed the websites and out of hours phone messages of 12 GP practices and 11 dental practices[4].

[4] The sample included a mix of NHS and private dental practices.

Exhibit 3: results of the review of GP and dental practice information (October 2024)

Indicator	This Health Board	All-Wales position
% of GP practice websites with clear signposting	91.7	56.8
% of GP practice answer phone messages with clear signposting	100	89.5
% of dental practice websites with clear signposting	27.3	36.7
% of dental practice answer phone messages with clear signposting	81.8	86.7

Source: Audit Wales

28 Positively all GP practices sampled provided clear signposting to urgent or emergency care services out of hours on their telephone lines, using a standard message. All but one GP website sampled provided clear signposting, which compared considerably better than the all-Wales position. Clear signposting on dental websites was less prevalent, with the results lower than the all-Wales position and one of the lowest in Wales. Signposting via dental phonelines was better but still below the all-Wales position. The results show that the Health Board has implemented some effective messaging via GP practices, but more work needs to be done to encourage clearer signposting via dental practices, in particular on websites **(Recommendation 3)**.

29 Across Wales, between 450,000 – 500,000 people access the 111 website each month. The Health Board has a lower rate of 111 calls per head of GP population, with 111 calls made by Health Board residents accounting for 10.7% of all calls in February 2024. The top five reasons for calls are set out in **Exhibit 4**.

Exhibit 4: top five reasons for calling 111 (February 2024)[5]

This Health Board	% of all calls	All-Wales position	% of all calls
Dental problems	16.3	Dental problems	4.1
Abdominal pain	2.9	Abdominal pain	2.4
Chest pain	1.8	Chest pain	1.6
Cough	1.6	Cough	1.4

[5] Due to ongoing issues with the new 111 system implemented in April 2024, there has been no data on the 111-service reported since February 2024.

This Health Board	% of all calls	All-Wales position	% of all calls
Rash	1.2	Rash	1.0

Source: Ambulance Services Indicators

30 By far, the biggest reason for calling the 111 service in the Health Board area is for dental problems, with the percentage significantly higher than any other Health Board area in Wales. The Health Board's website has information for patients about urgent dental care. Under the 'Healthcare section', patients are signposted to contact their own dental provider in the first instance if they have one. If they don't have a regular dentist, they are directed to call 111 for advice and help in finding an urgent dental appointment. The Health Board has a below average number of NHS dental contracts[6] per 100,000 head of GP population, when compared to the all-Wales average (15.2 and 15.6 respectively). The Health Board position has declined from 16.5 in 2022-23.

Patient awareness

31 The Health Board has undertaken some work to understand patient behaviour, specifically related to patients who frequently attend the Emergency Department. However, more broadly, the Health Board does not currently have mechanisms to evaluate the effectiveness of its public communication to understand whether its activity is reaching the right audience or whether its messages are changing public behaviour in the way they access urgent and emergency care. During our review, staff from the Health Board suggested that more work could be done to improve the public's awareness and understanding of urgent and emergency care services, with views that the system is complex and can be confusing for patients to navigate.

32 Furthermore, feedback from Llais[7] indicated that patients find there is a lack of communication about services, and they are not regularly asked for their feedback on the services they have received. Llais did note that the Health Board does pockets of good work with seldom heard groups, for example engaging with Ukrainian refugees on how to access different parts of the system. However, Llais are often contacted about issues experienced by patients across the Health Board area, including lack of consideration for patient confidentiality in open areas such as the Emergency Department reception, long waits on ambulances, unclear information on waits and lack of clarity of the next steps in patient care (**Recommendation 4**).

[6] StatsWales, data on dental contracts and practices, 2023-24

[7] Llais is an independent statutory body established by the Welsh Government to give the people of Wales a stronger voice in the planning and delivery of their health and social care services.

Staff awareness and ability to refer

33 We found that **the Health Board is investing in clinical streaming hubs to support staff signposting to a broader range of alternative services, but there are gaps in dental service access and inconsistent staff engagement for service changes.**

Promoting staff awareness of services

34 In the absence of a communications plan, it was not clear how the Health Board engages its staff on plans to manage demand for urgent and emergency care. Interviews with a range of staff as part of this review indicated that the methods used are inconsistent.

35 Some of our interviews also indicated that there is a level of blame culture related to patients who present at Emergency Departments, with services blamed for not streaming those patients away earlier in the patient journey through alternative services. There appear to be tensions particularly between staff in primary and secondary care on this issue. These tensions can then negatively impact on engagement and joint working to address common issues in providing urgent and emergency care that is a positive experience for patients.

36 In late 2023, the Health Board set up clinical streaming hubs for Carmarthenshire and Pembrokeshire. Healthcare professionals can use the clinical streaming hubs to access enhanced community-based services which can avoid hospital admission. These currently have limited opening hours as they are reliant on onward services being available in the community. The Health Board is planning to build on these models further, with one of its Six Goal Plan workstreams dedicated to streaming. This workstream aims to develop regional clinical streaming hubs to provide a 24/7 Urgent Care Service. The regional clinical streaming hubs will integrate with GP out of hours and advanced paramedic practitioner resources and will be supported by local delivery resource hubs which provide enhanced community-based services. Ceredigion does not have a clinical streaming hub due to lower demand within the area.

37 Health Board staff should also have access to a directory of services available in the community with comprehensive and up-to-date information to signpost patients to the right place for their needs. WAST holds a directory of service for each health board area which contains details of referral pathways. It is the responsibility of the Health Board to ensure that this directory is kept up to date with accurate information. It was not clear how the Health Board will be managing the directory of service alongside the further development of its clinical streaming hubs, to ensure that information is aligned and up to date (**Recommendation 5**).

Referring to services

38 The Health Board consistently has a lower rate of patients that call 999 who are dealt with through 'consult and close' over-the-phone advice or signposting, compared to the all-Wales average (13.8% compared with 15.1% in April 2024). Of those calls, the proportion that are directed to alternative services is in line with the all-Wales average (73.9% compared with 73.0%).

39 The 111 service is also directing a lower proportion of patients to alternative services. **Exhibit 5** sets out the extent to which the 111 service has been able to direct patients away from the Emergency Department.

Exhibit 5: referral to other services (February 2024)

Indicator	This Health Board	All-Wales position
% of 111 calls referred to GP out of hours	39.8	41.0
% of 111 calls referred to another health profession	2.8	2.4
% of 111 calls referred to dental services	16.1	9.9

Source: DHCW Urgent and Emergency Care Dashboard, Ambulance Services Indicators

40 During 2023-24, the rate at which 111 staff referred patients to GP out of hours and to other health professions has been broadly consistent with the all-Wales level. However, 111 staff have consistently referred higher proportions of calls to urgent dental care than the all-Wales average. This is in line with the data contained in **Exhibit 4** and shows a need to ensure sufficient access to dental pathways across the Health Board.

41 As mentioned in **paragraph 30**, the Health Board has a below average number of dental contracts per 100,000 head of GP population. However, metrics on the Health Board's performance report show that the % of delivery of primary care dental services against the contracted value is consistently below the 100% target. At the time of the data used for **Exhibit 4** it stood at 56.8% but has since deteriorated further and was at 42.2% in February 2025. This is likely contributing to a pressure for patients needing to access urgent dental services, despite there being contracts in place to provide routine treatment (**Recommendation 6**).

42 During 2023-24, 232 calls (5.1%) to the 999 service were referred to 111, indicating they were less urgent. However, of those calls, just over a third, 33.4% were returned from 111 back to the 999 phoneline to be considered for an ambulance dispatch. This is higher than the all-Wales average, which was 27.6% for the same period. This higher rate suggests there is scope to increase the availability of appropriate pathways for calls which are urgent but not life-threatening across the Health Board.

43 The Health Board conducted the busiest day review[8] in November 2023, which was a repeat of a 2019 exercise. The review found that services had changed significantly since the 2019 exercise which made comparison and measuring progress more challenging. However, the Health Board found that half of the patients treated during the day could have benefited from an alternative pathway of care to self-presenting or being directed by a professional to the emergency department. The report contained six recommendations for immediate impact, but it is not clear if these have been implemented and evaluated (**Recommendation 7**).

44 The extent to which ambulance crews are able to 'see and treat' patients at scene within the Health Board area is below the all-Wales average (9.1% compared with 11.8% in February 2025). The 'see and treat' rate has consistently been below the all-Wales average for the past 12 months. In addition, the percentage of patients who were referred to alternative care services was higher than the all-Wales position in February 2025 (14.5.% compared with 11.9%).

45 During our interviews we heard of the success of the introduction of Advanced Paramedic Practitioners (APP) in diverting patients away from the Emergency Department. APPs provide triage services to patients by reviewing the 999 calls awaiting an ambulance dispatch, providing treatment within the community, and referring patients onto appropriate services.

46 In 2023-24 and 2024-25, a focus for the Health Board has been on managing the needs of patients over 75 years old. This cohort of patients is reported to account for most of the Health Board's demand for urgent and emergency care. To help manage this demand, the Health Board has developed a multi-disciplinary acute frailty service model at Withybush Hospital to support people at high risk of falls, disability, and hospital admissions. The service includes a multi-disciplinary team that offers assessments within 24 to 72 hours of admission. In Pembrokeshire, there is also a falls response scheme run by St John Ambulance Cymru which started as a pilot. They assess patients at the scene and determine the most appropriate treatment pathway. The Health Board reported that within the first ten days of the pilot, the team attended to 17 patients and saved nine ambulances from having to respond.

Services to help manage demand

47 We found that **there is relatively good provision of community pharmacy services, but whilst SDEC units effectively manage urgent and emergency care demand, better access to patient data and compliance with national referral criteria are needed to maximise their value.**

[8] Deep dive review of a 24hr period on 21 November 2023 at Glangwili General Hospital (GGH) Emergency Department (ED) and Withybush General Hospital (WGH) ED only.

Community pharmacy services

48 For 2023-24 the Health Board had the highest numbers of community pharmacies per head of GP population in Wales, at 23.9 (compared to 20.9 at an all-Wales level). Every one of the Health Board's community pharmacies had signed up to provide the common ailment scheme in 2023-24. This scheme allows pharmacists to assess and treat a common list of minor ailments[9]. However, should antibiotics be required, then patients would need to be referred to their GP. The number of common ailment consultations per 100,000 head of GP population for 2023-24 was above the all-Wales average (10,834 compared with 10,472). The most common ailments reported were conjunctivitis, sore throat, dermatitis, and hay fever.

49 To supplement the scheme, some community pharmacies across Wales have also signed up to provide additional enhanced services, which further increases the ability of community pharmacists to respond to minor ailments. This includes providing the sore throat treat and test service, and the independent prescribing service. Both services enable the community pharmacist to prescribe antibiotics. In addition, community pharmacists can also provide the additional hours service, which allows them to extend their opening hours and provide bank holiday cover.

50 The uptake of these is set out in **Exhibit 6.**

Exhibit 6: uptake of enhanced services in community pharmacies (2023-24)

Indicator	This Health Board	All-Wales position
% of community pharmacies providing the sore throat treat and test service	78	79
% of community pharmacies providing the independent prescribing service	28	28
% of community pharmacies providing additional hours services	22	16

Source: StatsWales

51 The percentage of community pharmacies that provide the sore throat treat and test service and the independent prescribing service is in line with the position across Wales. Although the number of pharmacies providing the independent prescribing service is low, numbers have increased in 2023-24 compared to the previous year, when only 18% of community pharmacies offered this service. However, the percentage of community pharmacies providing additional hours decreased from 30% in 2022-23 to 22% in 2024-24. Whilst this is still higher than the all-Wales average, the provision of service is also low. Low availability of

[9] Common ailments scheme, 2021.

additional hours services is likely to increase pressure on other out of hours' services.

Same Day Emergency Care and Urgent Primary Care Centres

52 In line with the ambitions of the Six Goals Programme, the Health Board has established Same Day Emergency Care (SDEC) units in Glangwili, Prince Philip and Withybush Hospitals. The principle of the SDEC is to provide same day assessments and treatment for patients needing urgent medical attention, without the patient needing to be admitted into hospital overnight. In addition, the Health Board runs a Same Day Urgent Care (SDUC) service in Cardigan. This service also accepts walk-in patients with minor injuries and illnesses. The Health Board does not have Urgent Primary Care Centres as it has decided to manage demand through existing services instead.

53 Between October 2023 and July 2024, the Health Board had a lower rate of attendance to its SDECs per 100,000 head of GP population than at an all-Wales level (209.5 compared to 243.6). This level remained consistent between October 2023 and July 2024. However, data from the Health Board shows that between September 2023 and September 2024, the average SDEC attendance rate as a total of medical admissions stood at 28.2%, against a target of 30%. The Health Board has plans to extend the SDEC approach across main surgical specialities in Glangwili Hospital.

54 GPs and staff from the Emergency Department can directly refer into SDEC units. The Health Board also told us that WAST staff (including remote clinicians and paramedics) can directly refer patients to the SDEC units. Whilst data from WAST indicate that the region has the highest rates of SDEC referrals from its staff across Wales, this remains extremely low with only 0.6% of patients referred via WAST each month. Staff we spoke to stated that SDEC's acceptance of referrals is inconsistent, with a need to jointly commit and adhere to the national referral criteria introduced in April 2022[10] (**Recommendation 8**). We also heard that SDEC staff are reluctant to accept referrals later in the day as it limits their ability to discharge before the service closes. This may also be inadvertently impacting the service's ability to accept appropriate patients and alleviate operational pressure elsewhere. Those we spoke to also stated that challenges with resources and physical space restrict the SDECs from expanding their service to operating seven days a week.

55 The SDUC in Cardigan is an Advanced Nurse Practitioner led community service which can see up to 80-90 patients a day. Patients can walk-in or be referred. Whilst it currently operates Monday to Friday, the service utilised Welsh Government 50-day funding [11]to open over weekends between 11 January 2025

[10] Direct paramedic referral to same day emergency care: All Wales policy, April 2022

[11] The Welsh Government's 50-day challenge is an initiative aimed at improving hospital discharge and community care, particularly during the winter months.

and 31 March 2025. The Health Board's website states that during that period, the weekend service saw 845 patients, 75% of which would have otherwise attended an Emergency Department. The Health Board is currently assessing the SDUC weekend service and its impact on managing demand and patient experience. As part of that assessment, the Health Board should consider opportunities to enable the service to access patient GP records. Feedback from staff stated this is currently not the case which limits the efficiency of the service **(Recommendation 9).**

56 Good practice indicates that there should be high rates of discharge from SDEC units to ensure that they are being used effectively and appropriately. Within the Health Board, the percentage of patients discharged from the SDEC units has remained relatively stable, with an average rate of 90.3% between October 2023 and July 2024. This is the second highest rate in Wales. Having less than 10% of SDEC patients being admitted to the hospital indicates effective use of SDECs.

Impact of service changes on urgent and emergency care performance

57 We found that **whilst data suggests service changes are reducing levels of conveyance to hospital and are improving waiting times within Emergency Departments, handover delays remain at unacceptable levels and create significant risk of patient harm.**

Ambulance performance

58 Since the pandemic, 999 calls to the ambulance service across the Health Board have continued to rise and have now passed the level experienced by the service pre-pandemic with an average of 654 red calls per month between March 2024 and February 2025, compared to an average of 238 calls between March 2018 and February 2019. Whilst continuing to account for most 999 calls, the number of amber calls has decreased slightly since the pandemic with an average of 3,011 calls per month between March 2024 and February 2025.

59 Despite the overall increase in ambulance demand, the rate at which ambulance crews convey patients in the Health Board to hospital has reduced since pre-pandemic levels from 71.3% (March 2018 - February 2019), to 64.7% (March 2024 – February 2025). The rate however is slightly higher than the all-Wales average of 63.4%. The improving trend shows that some of the work to avoid conveyance is having an impact but there is more to do compared with the all-Wales position. **Exhibit 7** sets out the destination for all conveyances.

Exhibit 7: conveyance destination as a proportion of total conveyance (March 2024 – February 2025)

Indicator	This Health Board	Trend	All-Wales position
% of patients conveyed to major emergency departments	86.5		88.7
% of patients conveyed to minor injuries units	0.4		6.3
% of patients conveyed to major acute medical admissions unit	12.2		3.1
% of patients conveyed to other unit e.g. mental health or maternity unit	0.9		1.8

Source: Ambulance Services Indicators

60 Ambulance crews convey a slightly lower proportion of patients to the Health Board's Emergency Departments than the all-Wales average, but rates remain high. The rate of conveyance to major acute medical admissions units, including SDECs is the highest in Wales. However, whilst paramedics can convey patients to the minor injuries unit, in practice very few are, with conveyance rates to minor injuries units across the Health Board significantly lower than the all-Wales average.

61 Data shows that ambulance handover delays across the Health Board continue to be at unacceptably high levels. The percentage of ambulance handovers completed within 15 minutes between March 2024 and February 2025 was just 22.9%, against a national target of 100%. Performance however is the second highest in Wales, compared to an all-Wales position of 15.8%. Except for seasonal fluctuations, handover performance has remained fairly consistent since September 2021. Handover performance however is resulting in a high number of lost hours due to handover delays. The Health Board lost on average 3,332 hours every month between March 2024 and February 2025. Ambulance performance is monitored via the Health Board's Six Goals Programme.

62 A clinical review developed by the Association of Ambulance Chief Executives[12] discovered that the rate at which harm occurs for patients increases when their handovers take over an hour to complete. This review indicated that the likelihood of a patient experiencing severe, or permanent, harm was 7% for handovers taking between an hour and an hour and a half, 10% for handovers taking between two and three hours and 27% for handovers taking over four hours to complete. Data from February 2025 showed that 52.6% (764) of handovers within the Health

[12] 'Delayed hospital handovers: Impact assessment of patient harm' Association of Ambulance Chief Executives, November 2021.

Board took over one hour to complete, and 14.7% (223) of handovers took over four hours to complete.

63 Handover delays inhibit the ability of ambulance staff to respond to other urgent calls in the community. Ambulance response times continue to be challenging and below performance targets, although they are slightly better than or in line with the all-Wales average (**Exhibit 8**). The percentage of red calls responded to within eight minutes is significantly below the target of 65%. On average, the response time to amber calls between March 2024 and February 2025 was one hour 51 minutes, rising to 10 hours 17 minutes for those who waited the longest. Performance has declined over the last 12 months.

Exhibit 8: red and amber call response times (March 2024 – February 2025)

Indicator	This Health Board	Trend	All-Wales position
% of red calls responded to within eight minutes	50.1		48.6
Median response to amber calls (minutes)	111		111

Source: Ambulance Service Indicators

Emergency Department performance

64 Within the Health Board, the rate of attendance at an Emergency Department per 100,000 head of GP population has increased during the past two years and is considerably higher than the all-Wales average (2,860 and 1,980 respectively). The rates increased significantly since December 2024, most likely due to winter pressures.

65 Conversely, the Health Board has seen improvements in waiting times within the Emergency Department during recent months. The percentage of patients spending less than four hours in the Emergency Department improved slightly in February 2025 to 67.4%, which is the highest it has been since November 2023. The number of patients spending over 12 hours in the Emergency Department has also improved in recent months, down from 1,612 in December 2024 to 1,260 in February 2025. Once assessed, the rate of admission is lower than the all-Wales average, at 21.5% between March 2024 and February 2025, compared to 22.3% across Wales.

Scrutiny and monitoring arrangements

66 This section considers whether the Health Board is doing enough to monitor the performance of its urgent and emergency care services, and applying lessons learnt to improve services further. We were specifically looking for evidence of:

- arrangements for monitoring the impact of alternative clinical pathways; and
- effective oversight and scrutiny of the delivery of plans for urgent and emergency care.

67 We found that **oversight and scrutiny of urgent and emergency care performance and plan delivery is effective, but pace has been affected by interim leadership arrangements and staff and patient feedback needs to be better utilised for planning.**

Monitoring impact

68 We found that **whilst there are some arrangements to monitor access to services the collection of staff feedback is inconsistent, and it is not clear how staff or patient feedback is used to inform and strengthen plans.**

69 The findings that have led us to this conclusion are summarised in **Exhibit 9**.

Exhibit 9: approach to monitoring the impact of alternative pathways on urgent and emergency care services.

Audit question	Yes/ No/ Partially	Findings
Is the Health Board tracking and reporting data to show whether patients are accessing urgent and emergency care services appropriately?	**Partially**	The Health Board has a dashboard which tracks specific cohorts of patients, including frequent attenders and referrals via consultant connect. The Health Board also uses a live dashboard, to make decisions on a daily basis to best match its capacity to the demand for services. The dashboard includes data such as ambulance delays, 12-hour breaches and waits within the Emergency Department. However, some of the staff we spoke to raised concerns about the reliability of information on the live dashboard. **(Recommendation 10).** The Health Board is engaging with other health boards to understand their methods for measuring impact of front door services.

Audit question	Yes/ No/ Partially	Findings
Is regular patient feedback being sought and used to inform and improve plans?	**Partially**	One of the key methods the Health Board is using to gather patient feedback is through the monthly CIVICA[13] patient survey. The survey is specific to patient experiences within an Emergency Department and responses are reported according to the percentage of positive responses. The Health Board receives around 3,000 responses each month to this survey and results are included within the Health Board's performance report. Data up to February 2025 showed improving performance across most of the questions within the survey, but particularly around the quality of communication between staff and patients. However, it is not clear how qualitative feedback, including suggestions from patients, is fed back to the Health Board. Furthermore, we could not find evidence to show how patient feedback is used to inform and improve plans **(Recommendation 11)**.
Is there regular staff feedback on the impact of changes to services and pilots to identify and apply lessons?	**Partially**	The Health Board does not have a consistent approach to collecting staff feedback on changes to services. We did hear some examples of good opportunities to feedback. For example, the Health Board held a priorities workshop in May 2024 where feedback from staff was sought in relation to urgent and emergency care. However, interviews with a range of staff indicated a need for more regular mechanisms for feedback, such as between urgent and emergency care services and primary care services, to ensure service changes are working as intended (**Recommendation 12**).

Source: Audit Wales

[13] CIVICA is a software platform designed to measure patient feedback within healthcare organisations.

Oversight and scrutiny

70 We found that **oversight and scrutiny of plans and performance is effective, however, pace has been affected by interim leadership arrangements and there is scope to evaluate projects more consistently.**

71 The findings that have led us to this conclusion are summarised in **Exhibit 10**.

Exhibit 10: approach to oversight and scrutiny of urgent and emergency care services

Audit question	Yes/ No/ Partially	Findings
Is there effective oversight of urgent and emergency care performance operationally, including scrutiny and assurance on the effectiveness of plans and actions being taken to better meet demand?	**Partially**	The Health Board has experienced issues during 2024-25 with leadership for the programme, including a vacancy in the programme director role. Following operational restructuring, the programme director role has been absorbed into the new Community and Integrated Medicine Service Director role from 1st April 2025. There have also been delays in appointing workstream leads during 2024 due to operational and clinical pressures which have impacted progress of plans. Oversight of performance and plans for urgent and emergency care is undertaken by the Improved Quality, Finance and Performance Delivery Group (IQFPD). This group meets on a fortnightly basis and is chaired by the Chief Operating Officer. There is a broad membership across relevant areas of the organisation, which includes primary care, planning, and finance. The Health Board also has a Six Goals Integrated Operational Group, accountable to the Executive team, which drives activity related to the Six Goals Programme within the Health Board. However, whilst there are meetings between the Health Board and WAST at operational levels, there is no WAST representation at the IQPFD meeting or the Six Goals Integrated Operational Group which limits the Health Board's ability to join up strategic plans relating to urgent and emergency care services **(Recommendation 13)**.

Audit question	Yes/ No/ Partially	Findings
Is there effective oversight of urgent and emergency care performance at the committee and board level, including scrutiny and assurance on the effectiveness of plans and actions being taken to better meet demand?	**Yes**	There is effective oversight at Board and committee level with regular urgent and emergency care programme updates to the Strategic Development and Operational Delivery Committee (SDODC)[14]. Performance reports include metrics on ambulance handovers, A&E waiting times and pathway of care delays. During the year SDODC committee has received Deep dives on the six goals programme, primary care, population health and the clinical services plan. Previously there was also an operational update paper that the Chief Operating Officer produced for Board meetings, but this was stood down in May 2024 and update papers are now provided separately if needed.
Are there arrangements in place for monitoring and oversight of economy, efficiency, and effectiveness of project investment from Welsh Government?	**Partially**	The Health Board is monitoring project investment within its Six Goals Programme. The Health Board can also demonstrate work to identify learning from changes to its service. For example, in January 2023 the Health Board conducted a peer review of its Same Day Emergency Care Services which identified three key themes: demand capacity modelling, workforce planning and digital transformation. However, more work needs to be done to develop consistent evaluative practices across the Health Board. For example, during 2024-25 the Health Board funded a new contractual agreement for GPs to take on 2 extra emergency patients a day, yet there has been no evaluation of this service and whether it avoided hospital admissions (**Recommendation 14**).

Source: Audit Wales

[14] From 1st April, oversight of strategy and planning moved to a new Strategy and Planning Committee. Oversight of performance moved to a new Finance and Performance Committee.

Appendix 1

Audit methods

Exhibit 11 sets out the audit methods we used to deliver this work. Our evidence is limited to the information drawn from the methods below.

Exhibit 11: audit methods

Element of audit approach	Description
Documents	We reviewed a range of documents, including: • Urgent and Emergency Care Plan (including resources required and costings); • Integrated Medium Term Plan and Annual Plan; • Six Goal Programme Plan and progress reports, including submissions to Welsh Government; • Performance reports on urgent and emergency care to Board and committees; • Evaluation reports aimed at initiatives appropriately managing urgent and emergency care demand; • Urgent and Emergency Care Board (or Six Goals Board) terms of reference, agendas for last year and papers relevant to appropriately managing urgent and emergency care demand; • Results from patient surveys relating to the accessibility of urgent and emergency care services; and • Diagrams which set out the structure of urgent and emergency care.
Interviews	We interviewed the following: • Chief Operating Officer • County Director, Ceredigion • Urgent and Emergency Care Lead • Director of Secondary Care • Operations Manager, WAST • West Wales Deputy Regional Director, Llais
Group discussions	We held group discussions with the following: • Leads for Emergency Departments, Same Day Emergency Care units, and Minor Injuries Units. • GP Cluster Leads and Out of Hours Leads.

Element of audit approach	Description
Data analysis	We analysed data relating to urgent and emergency care services, using the following sources: • Ambulance Services Indicators; • DHCW Urgent and Emergency Care Dashboard; • StatsWales; • Data provided by Welsh Government in relation to GP out of hours services**; and** • Monthly Monitoring Returns**.**
Website and practice reviews	We reviewed the Health Board's website and social media accounts relating to the provision of information to the public on accessing urgent and emergency care services. We also reviewed practice websites and phonelines for: • a sample of 12 GP practices; and • a sample of 11 dental practices

All audit work has been delivered in accordance with the International Organisation of Supreme Audit Institutions (INTOSAI) audit standards.

Appendix 2

Audit criteria

Exhibit 12 sets out the audit criteria that we used to deliver this work.

Exhibit 12: audit criteria

Audit questions	Audit criteria
Does the Health Board have robust plans in place to manage the demand for urgent and emergency care services?	
Do plans seek to improve the management of demand through changes to service delivery in line with the six goals for Urgent and Emergency care?	• Strategies and/or plans relating to urgent and emergency care: – are based and grounded in rich and up-to-date information, informed by urgent and emergency care demand data (past and future), including peaks in activity at certain times/days and months, demographics, and conditions of patients. – identify and seek to address key risks associated with demand for urgent and emergency care services. – align with the requirements of the Welsh Government Six goals for Urgent and Emergency Care for better managing demand. – include documented information on alternative clinical pathways, including how and when they should be accessed.
Do plans identify the current and required levels of resource and	• Strategies and/or plans detail the: – resource requirements and identified funding to support any changes to service delivery included within the strategy/plan.

Audit questions	Audit criteria
staffing to achieve the ambitions?	– workforce and skills required to meet demand, including for changes in models of delivery such as winter peaks. The plan is clear about the required resources of clinical and non-clinical skills/staff.
Are arrangements in place to encourage and enable people to access the right care, in the right place, at the first time, and are these working?	
Is the Health Board effectively signposting urgent and emergency care services to the public, so they know how to access services appropriately?	• The Health Board provides clear information on available services and alternatives to emergency departments to the public through various avenues – websites, call handlers, posters/leaflets, advertisements, GP/dentist websites and phone lines, social media, videos etc. • Strategies and/or plans on public communication align to requirements of goals 2 and 3 of the WG Six goals for Urgent and Emergency Care (Right care, right place, first time) • There is evidence to suggest patients have a good understanding of how to access urgent and emergency care services that are appropriate to their needs
Do staff have good knowledge of, and access to, information regarding the range of other services available to their patients and at what times they are available?	• There is engagement between Health Boards and GP clusters / dentists / paramedics / pharmacists about alternative pathways in place and the future of urgent and emergency care services. Information on these pathways and services are accessible for staff. • Staff can refer directly / divert patients to more appropriate settings for their needs, including Urgent Primary Care Centres (UPCC) and Same Day Emergency Centres (SDEC).
Is there evidence that changes to service delivery are resulting in better demand management?	• Referrals into new service models are in line with the ambitions of the six goals for urgent and emergency care policy handbook. • WAST can refer at least 4% of cases to SDEC. • Calls to 111 are answered quickly and abandonment rates are low.

Audit questions	Audit criteria
	• Emergency ambulance response times, ambulance handover delays and waits within Emergency Departments and Minor Injury Units are improving. • Data shows decreasing volumes of patients with low acuity / minor complaints presenting at Emergency Departments. • Data indicates a good range of GP appointment availability. • Data indicates that calls diverted between 999 and 111/NHS Direct Wales are appropriate with low levels of calls diverted back and low numbers of re-contact rates.
Is the Health Board doing enough to monitor the performance of its urgent and emergency care services and apply lessons learnt to improve the services further?	
Is the Health Board monitoring the effectiveness of alternative clinical pathways, including by seeking feedback from staff and service users?	• The Health Board tracks and reports data to show whether patients are accessing urgent and emergency care services appropriately. • The Health Board can evidence that it seeks patient feedback regularly and uses it to inform and improve plans. • Regular feedback is sought from various staff on the impact of changes to services and pilots to identify and apply lessons
Is there effective scrutiny and assurance in relation to delivering plans for urgent and emergency care and alternative clinical pathways?	• There is effective oversight of urgent and emergency care performance operationally and at the committee and board level. This includes scrutiny and assurance on the effectiveness of the plans and actions being taken to better meet demand. Oversight and scrutiny are informed by comparative benchmarking and learning from other bodies where appropriate. • There are arrangements in place for monitoring and oversight of economy, efficiency, and effectiveness of project investment from Welsh Government. This includes establishing value for money and what difference the project has made.

Appendix 3

Management response to audit recommendations

Exhibit 13 sets out the Health Board's management response to the recommendations made because of this audit.

Exhibit 13: management response

Recommendation	Management response	Completion date	Responsible officer
Identifying data used to inform plans for urgent and emergency care R1 To ensure that priorities are reflective of and align to up-to-date information such as demands for service, service capacity and future demographic pressures, the Health Board should clearly indicate the data used to inform its future plans for urgent and emergency care **(Exhibit 2).**	A UEC dashboard is currently being developed which will provide users with a suite of data from Live dashboard information, predictive data to inform service planning and reporting measures.	Jul 2025	Gareth Beynon
Six Goals Programme Funding R2 To support the on-going delivery of Six Goals related initiatives, the Health	The Six Goals 2025/26 Financial plan is currently being finalised with financial colleagues and workstream leads. This sets out spending over the	Jul 2025	Peter Skitt

Recommendation	Management response	Completion date	Responsible officer
Board needs to clarify and confirm the funding arrangements for schemes beyond March 2025. Plans for future years should also identify any funding needs beyond their current annual allocation **(Exhibit 2).**	next year on a range of schemes and is match funded by the Health Board. For planning in future years beyond annual allocation, the team have recently completed an evaluation on a pilot with regard to seven-day clinical streaming hubs. This will form the basis of an options appraisal that will lay out the recommended models and funding requirements for this financial year and beyond.		
Signposting patients to urgent dental services R3 To help address the high demand for urgent care due to dental problems the health board should ensure dental practices provide clear, accessible information about urgent and emergency care services on their websites and conduct a future audit to ensure compliance. **(Paragraph 28)**.	A dental nurse triage review of calls received from 111 for patients requiring urgent access to NHS Dental Services indicated that out of 800 calls, 300 patients did not require an urgent dental appointment. Without clinical triage at source this is skewing the data on the actual demand for urgent dental care. The demand for urgent dental care currently outstrips the level of service that Practices are willing to provide. Consideration to pilot putting Dental Nurse triage in at the end of the week and over the weekend has recently been discussed and a plan will be developed. An agreed format of words will be developed and shared with all Dental Practices for consistent use; a review of this will be included as part of the Practice visiting programme	Aug 2025 30 Jun 2025 30 Jun 2025	Rhian Bond

Recommendation	Management response	Completion date	Responsible officer
	Link to “My Health, My Choice” videos to be recirculated		
Signposting patients to the right services R4 To ensure that patients receive the urgent and emergency care that is most appropriate to their needs, the Health Board should liaise with Llais and other patient representative groups as appropriate to help identify where current patient information and signposting arrangements need strengthening (**Paragraph 32**).	The Health Board is in regular discussions with Llais re 6 Goals and Urgent Care, Llais were involved in the UEC summit in April 25 and the Llais report helps identify some areas for improvement, an accelerated workstream for UEC on Environment and Patient experience is being planned to ensure improved information and signposting is achieved	Oct 2025	Gareth Cottrell
Alignment between the directory of service and clinical streaming hubs R5 To ensure alignment between the information held by the Health Board and by WAST on available pathways and referral mechanisms, the Health Board should work with WAST to set out clearly how its clinical streaming hubs and the WAST directory of service work together effectively (**Paragraph 37**).	The purposing behind co-locating MDT staff in the hubs is to create a living DoS options to deploy, so when the PTAS/ WAST stack attack is active the direction of enquiry is usually to the CSH MDT of what alternative options can be deployed locally in a reasonable timeframe, this will be further reinforced when 7 Day functionality is deployed.	Nov 2025	Gareth Cottrell

Recommendation	Management response	Completion date	Responsible officer
Deep dive into performance related to dental services R6 Data reviewed as part of this work identified that demand in the region relating to urgent dental services is significantly higher than the all-Wales average, despite performance against contracts being poor. To ensure it is maximising efficiency and mitigating this pressure, the Health Board should undertake a deep dive into its urgent care demand for dental services (**Paragraph 41**).	A review of the current demand for urgent dental care will be undertaken in line with the report. As the demand for urgent dental access peaks over the summer period the timescale for review needs to include “normal” periods of demand for comparison. The number of NHS dental contract resignations with Practices opting to provide private dental care, coupled with the rural geography has proven to be a challenge. The Health Board has an agreed dental commissioning plan which is in progress to procure additional routine NHS dental access Given the level of calls that have been redirected on clinical triage there appears to be a cultural approach to access “urgent” dental care when the requirement is routine	Dec 2025	Rhian Bond
Progress against busiest day review R7 To ensure the Health Board is maximising the learning identified in its busiest day review in November 2023, it should provide the Finance and Performance committee with an update against recommendations (**Paragraph 43**).	The Busiest Day Audit has been used in the creation of the “Blueprint“ UEC model and the recommendations for the Audit form a part of the ongoing 6 Goals improvement work. The 6 Goals team will update Finance and Performance on progress	Oct 2025	Peter Skitt

Recommendation	Management response	Completion date	Responsible officer
Monitor compliance with national SDEC referral guidance R8 To gain assurance that the Health Board is complying with the national SDEC referral guidance, it should conduct an audit of its SDEC data against the criteria and report the results to an appropriate committee or forum (**Paragraph 54**).	Currently the Health Board submit data against and report SDEC activity to the Performance and Assurance Team (National Six Goals Team) on a regular basis. The 6 Goals team will present SDEC Information in the form of the National Submission	Sept 2025	Thomas Alexander
Access to GP records for Same Day Urgent Care Centre R9 The Health Board should review the feasibility of enabling the Same Day Urgent Care Centre access to GP records to improve efficiency of the service **(Paragraph 55).**	The access to GP records and also the feedback into GP Records is a central part of the access work stream, developments in Digital solutions to include Electronic Observation and Patient Flow and a standardised GP system across the HDUHB area will support this development	Nov 2025	Peter Skitt
Ensuring data quality to inform plans R10 The Health Board should review and regularly validate the data that is currently available for urgent and emergency care so more assurance can be taken when making decisions based on the data available (**Exhibit 10**)	The 6 Goals Team provide regular updates re the National Data requirements and also against the 6 Goals Ministerial priorities, the 6 Goals team regularly attend Committees to update re the UEC Performance and actions being taken to improve	Jun 2025	Peter Skitt

Recommendation	Management response	Completion date	Responsible officer
Use of patient feedback R11 To ensure the Health Board is building on feedback from patients, future plans for urgent and emergency care should demonstrate how they have considered patient feedback **(Exhibit 9)**.	Regular reports on patient experience and feedback through QSEC, also patient stories have formed the basis of evaluation for Clinical Streaming Hubs and the Enhanced Community Falls pilot. UEC programme has built close links with Llais, they are part of the Six Goals Integrated Operational Group membership and the Health Board regularly meet with them on UEC matters**.**	Jun 2025	Anna Chiffi
Staff feedback on service changes R12 To identify potential weaknesses or learning in relation to recent changes to its urgent and emergency care services, the Health Board should introduce regular mechanisms for staff feedback. This should include feedback from key partners including primary care and WAST (**Exhibit 9**).	The Six Goals Programme Team have launched a website for staff on the Six Goals Programme, which includes information on the programme, contact information, and resources. This is currently being promoted through the Communication and Engagement Team. Hywel Dda University Health Board: Six Goals Programme	Jun 2025	Peter Skitt
Oversight & Scrutiny R13 To strengthen its ability to join up strategic plans and service changes for its urgent and emergency care services, the Health Board should include WAST as a member of its Six Goals Integrated Operational Group **(Exhibit 10)**.	WAST will be added to the membership to the Integrated Operational Group for the Six Goals Programme, and added into the accelerated Programme	Jul 2025	Gareth Cottrell

Recommendation	Management response	Completion date	Responsible officer
Evaluating project benefits R14 To strengthen its reporting of the benefits achieved from its Six Goals Programme work and associated use of funding, the Health Board should develop and communicate guidance for staff on how to evaluate the effectiveness of projects, initiatives and service changes relating to urgent and emergency care services **(Exhibit 10)**.	Knowledge Exchange Forum currently being set up through the Strategy and Planning Directorate. This will bring staff together to find out about, discuss and appraise, e.g. Research, ideas, evidence, current thinking, data, information and examples of good practice. Various types and sources of information will be discussed at Knowledge Exchange Forum sessions, e.g. Journal articles, conference proceedings, policy documents, evidence reviews, case studies or internal reports.	Aug 2025	Nathan Davies

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We welcome correspondence and telephone calls in Welsh and English. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.

3.3

10:15, 15 Mins

3.3 - Planned Care Review

Anne Beegan, Urvisha Perez, Andrew Carruthers (Hywel Dda UHB - Chief Operating Officer), Keith Jones (Hywel Dda UHB - Director of Operational Planning & Performance), Stephanie Hire (Hywel Dda UHB - Programme Lead - Transformation Planned Care), Lisa Humphrey (Hywel Dda UHB - General Manager, Women & Children), Paula Goode (Hywel Dda UHB - Service Director for Planned and Specialist Care)

For assurance

Attachments

3.3 Tackling the Planned Care Challenges.pdf

Archwilio Cymru
Audit Wales

Tackling the Planned Care Challenges – Hywel Dda University Health Board

Date issued: May 2025

Document reference: 4620A2024

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Summary report

About this report

1 This report sets out the findings of work on planned care recovery that we have undertaken at Hywel Dda University Health Board (the Health Board) to examine the progress it is making in tackling its planned care challenges and reducing its waiting list backlog. The work has been undertaken to help discharge the Auditor General's statutory duty under section 61 of the Public Audit (Wales) Act 2004 to be satisfied that the Health Board has proper arrangements in place to secure the efficient, effective, and economic use of its resources. Our work was delivered in accordance with INTOSAI[1] audit standards. This report excludes any examination of waits relating to cancer diagnosis and treatment, which are the subject of a separate examination by the Auditor General.

2 Tackling the planned care waiting list backlog is one of the biggest challenges facing the NHS in Wales. NHS waiting time targets in Wales have not been met for many years and the COVID-19 pandemic made an already challenging situation considerably worse as planned care services were initially postponed and then slowly re-started to allow the NHS to focus its attention on dealing with those seriously ill with the virus. Since the onset of the pandemic, the overall size of the NHS waiting list has grown significantly and at the end of February 2025 there were 614,150 individual patients waiting for treatment.

3 In April 2022, the Welsh Government published its Programme for Transforming and Modernising Planned Care and Reducing Waiting Lists in Wales. The programme includes £170 million recurring funding to support planned care recovery, together with an additional £15 million funding per year over four years to support planned care transformation. Welsh Government subsequently allocated a further £50 million between September 2024 and October 2024 to reduce the longest waiting times[2]. The programme includes specific targets and Ministerial priorities:

- that no one should wait longer than a year for their first outpatient appointment by the end of 2022 (**target date revised to December 2023**[3]);
- to eliminate the number of people waiting longer than two years in most specialties by March 2023 (**target date revised to March 2024**);
- people should receive diagnostic testing and reporting within eight weeks and therapy interventions within 14 weeks by Spring 2024; and

[1] INTOSAI is the International Organization of Supreme Audit Institutions

[2] Health Secretary response to latest NHS Wales performance data. The £50 million additional allocation comprised £28 million in September and £22 million in October 2024.

[3] Health boards did not achieve the original targets for first outpatient appointment and number of people waiting longer than two years for treatment. As a result, the Welsh Government agreed to set interim targets (**in bold**, above).

- to eliminate the number of people waiting longer than one year in most specialties by Spring 2025.

4 In May 2022, the Auditor General for Wales published a commentary on "Tackling the Planned Care Backlog in Wales" which estimated that it could take up to seven years for the overall waiting list in Wales to return to pre-pandemic level. The commentary highlighted key areas for action, including:

- having strong and aligned local leadership to deliver the national vision for recovering planned care services;
- having a renewed focus on system efficiencies and new technologies;
- building and protecting planned care capacity; and
- communicating effectively with patients who are waiting for treatment and having systems in place to manage the clinical risks to those patients while they are waiting.

5 Our work has considered the progress the Heath Board is making in tackling its planned care challenges and reducing its waiting list backlog, with a specific focus on:

- action that the Health Board has taken to tackle the planned care backlog;
- waiting list performance; and
- understanding and overcoming the barriers to improvement.

6 We undertook our work between July 2024 and February 2025. The methods we used are summarised in **Appendices 1 and 2**. **Appendix 3** provides some additional data analysis on planned care services and **Appendix 4** contains the Health Board's response to any recommendations arising from our work.

7 The Health Board has been escalated under the NHS Wales escalation and oversight framework. It is currently at Level 3 for leadership and governance, and performance and outcomes related to planned care. It is also at Level 4 escalation for a range of reasons including finance, strategy and planning, performance and outcomes. Its financial position has a direct bearing on the affordability, sustainability and recovery of planned care services.

Key facts

£72.7m the amount of additional funding the Health Board has received from Welsh Government between 2022-23 and 2024-25 to support planned care improvement.

99,500 the overall size of the waiting list at February 2025.

71% the percentage growth in the overall waiting list between April 2019 and February 2025.

792 the number of patient pathways waiting more than one year for their first outpatient appointment at February 2025 against a national target of zero waiting. The number of one year waits for an outpatient appointment has reduced by 94% since April 2022.

831 the number of patient pathways waiting more than two years for treatment at February 2025 against a national target of zero waiting. The number of two-year waits has reduced by 91% since April 2022.

67% the percentage diagnostic test waits that are within eight weeks at February 2025 against a national target of 100%. The Health Board has achieved an 1% reduction of 'over eight weeks' diagnostic waits since April 2022.

80% the percentage of therapy waits that are within 14 weeks at February 2025 against a national target of 100%. The number of waits that are over 14 weeks has doubled since April 2022.

13,442 number waiting more than one year for treatment at February 2025 against a national target of zero for most specialties by Spring 2025. This has reduced by 43% since April 2022.

Key messages

Overall conclusion

8 Overall, **we found that the Health Board is now making good progress addressing its longest waits but needs to do more to ensure timely diagnostic and therapy services. Referral demand is increasing, and the Health Board needs to agree a financially and clinically sustainable plan to meet current and future patient needs. The Health Board also needs to address its service inefficiencies and strengthen its approach for identifying and reporting on harm resulting from delays in access to care.**

Key findings

Action that the Health Board is taking to tackle the planned care challenge

- The Health Board has set out clear plans for securing short-term waiting list improvements and is working on longer-term strategies and clinical services plans for nine of its fragile services.
- Additional Welsh Government funding has been appropriately targeted at supporting planned care recovery, however in March 2025 the Health Board signalled the intention to return £230,000 as the planned activity could not be delivered in the time given.
- The Health Board has good arrangements for monitoring its planned care spending and waiting list position. However, it could strengthen the monitoring of the achieved impact of additional Welsh Government planned care funding compared to its plans.
- The Health Board is creating some service efficiencies but there remain opportunities, particularly in relation to increasing the use of virtual appointments and improving the productive use of its operating theatres.
- Day case rates are high, with the Health Board exceeding the average performance across Wales and is close to meeting the GIRFT[4] target of 85% for day case surgery.
- The Health Board has a good waiting well service. This follows the Welsh Government's Promote, Prevent and Prepare policy, but it needs to strengthen reporting on actual harm resulting from long planned care waits.

[4] Getting It Right First Time (GIRFT) is a programme that aims to improve the quality and efficiency of hospital care.

Waiting list performance – is the action taken resulting in improvement?

- The continued growing backlog of people waiting to be treated presents a substantial problem for the Health Board. There are now nearly 100,000 open treatment pathways, around 40,000 more than before the pandemic.
- The Health Board did not meet Welsh Government's planned care recovery targets but is now making good progress in most areas:
  - The number waiting over a year for their first outpatient appointment decreased from 14,104 patient pathways in April 2022 to 792 in February 2025. If it continues to make progress at the current rate, the Health Board should eliminate one year waits for an outpatient appointment during 2025.
  - The number waiting over two years for treatment reduced from 9,526 in April 2022 patient pathways in April 2022 to 831 in February 2025.
  - The Health Board is struggling to meet Welsh Government diagnostic testing, reporting, and therapy interventions targets. In February 2025, there remained 6,017 patients waiting over eight weeks for diagnostics and 1,932 patients waiting for therapies over 14 weeks. Of its diagnostic services, radiology and neurophysiology diagnostics are the areas of greatest concern because of the volume and proportion of long waits in those areas. Audit Wales is undertaking a follow-up review of radiology services in 2025.

Barriers to further improvement

- There are a number of barriers that the Health Board has identified which limit improving planned care further. These include growing service demand and, workforce shortfalls in key areas including anaesthetics and theatres.
- The Health Board recognises these challenges and is introducing a range of actions to help address these issues. Some of these are delivering improvements but it needs to review and monitor progress to ensure it is having the desired impact.

Recommendations

9 We have set out recommendations arising from this audit in **Exhibit 1**. The Health Board's response to our recommendations is summarised in **Appendix 4**.

Exhibit 1: recommendations

Recommendations
Service planning R1 The Health Board should ensure that updated strategies and plans (A Healthier Mid and West Wales Strategy and the clinical services plan) sufficiently set out a route map to sustainable planned care services. The plan should be costed, with realistic but challenging milestones within it **(Exhibit 2)**.
Programme support for service transformation R2 The Health Board should build the required programme capacity and capability to support planned care specialties transformation **(Exhibit 3)**.
Planned care risk R3 The Health Board should develop an operational planned care risk register ensuring all risks that impede improvement and transformation have a clear owner and ensure sufficient detail on mitigating actions is provided **(Exhibit 3)**.
Monitoring impact of additional funding R4 The Heath Board should strengthen its reporting on the use and impact of the additional Welsh Government planned care funding **(Paragraph 23)**.
Getting it right first time reports R5 The Health Board should ensure timely completion of recommendations arising from the Getting It Right First Time reports **(Exhibit 6).**

Recommendations

Managing clinical risks associated with long waits

R6 The Health Board should strengthen its monitoring and reporting processes for managing clinical risks associated with long waits.

6.1 develop and implement a consistent methodology for assessing the risk of harm to patients caused by long waits across specialties **(Exhibit 7)**.

6.2 develop a routine report to be presented at the Quality, Safety and Experience Committee that effectively reports risks and actual incidents of harm resulting from delays in access to treatment **(Exhibit 7)**.

Detailed report

Action that the Health Board is taking to tackle the planned care challenge

10 We considered whether the Health Board is:

- effectively planning and delivering planned care improvement;
- appropriately utilising and monitoring the impact of Welsh Government funding; and
- supporting patients who are at most risk of harm as a result of a delay.

11 We found that **the Health Board is focused on short-term improvements to planned care and work is in progress to develop longer term plans to support sustainable services. The Health Board needs to ensure it produces a clear plan to support the development of affordable service models to meet current and future demand and improve efficiency. It also needs to strengthen its reporting on harm associated with long waits.**

Planned care improvement plans and the programme to deliver them

12 It is important that the Health Board has a clear plan for tackling the waiting list backlog and delivering sustainable planned care improvement. We considered whether the Health Board has:

- clear, realistic, and costed improvement plans for planned care that align with the national recovery plan ambitions and Ministerial priorities; and
- appropriate programme management arrangements to support planned care improvement, supported by clear accountabilities and clinical leadership and reporting to committees and the Board.

Planned care improvement plans

13 We found that **the Health Board has appropriately set out its short-term aims for planned care. It is refreshing its longer-term strategic plans and needs to ensure that these provide sufficient clarity on the changes and resources needed to meet the growing demand for planned care services.**

14 The findings that underpin this conclusion are summarised in **Exhibit 2**.

Exhibit 2: the Health Board's approach to planned care improvement planning

Audit question	Yes / No /Partially	Comments
Has the Health Board developed a clear plan to support planned care recovery?	**Partially**	The Health Board's overarching annual plan sets out the aims for planned care improvement. However, this is short-term focused and lacks the necessary consideration of longer-term sustainable planned care services. There is no separate stand-alone planned care recovery plan. At the time of our work, the Health Board was refreshing its long-term strategy[5], and focusing on its clinical services plan for ten of its most fragile services[6]. The Health Board needs to ensure these plans contain sufficient clarity to create sustainable planned care service models **(Recommendation 1).**
Is the approach for delivering planned care improvement costed and affordable?	**No**	The Health Board's overarching annual plan sets out its financial intent. However, there is no separately costed planned care plan (i.e. what resources would be needed to transform and fund sustainable service models).
Are the Health Board's planned care priorities appropriately aligned to the national planned care recovery plan and Ministerial priorities?	**Yes**	The Health Board's annual plan is sufficiently aligned to the Ministerial priorities set out in the national 'transforming and modernising planned care and reducing NHS waiting lists' recovery plan.
Has the Health Board set out realistic yet challenging targets and milestones for planned care?	**Partially**	The Health Board has developed improvement trajectories and system indicators aligned to Welsh Government escalation requirements. However, the plan lacks longer-term planned care ambitions.

[5] The refresh of the Healthier Mid and West Wales Strategy is due to be published in March 2026.

[6] The clinical services plan specifically looks at 10 fragile services (critical care, emergency general surgery, stroke, endoscopy, radiology, dermatology, ophthalmology, orthopaedics, urology, primary care and community services).

Audit question	Yes / No /Partially	Comments
Are the Health Board's planned care priorities informed by analysis and modelling of capacity and demand?	**Yes**	The Health Board has completed demand and capacity planning in all planned care specialties**.**
Has the Health Board set out how it will transform its clinical service models to make them more sustainable in the future?	**Partially**	The Health Board has set out some measures to improve productivity and optimise patient flow and resource allocation in the short-term. Its longer-term focus is on transformation of its ten fragile services. This work is currently in development.
Are plans for planned care improvements aligned to other key corporate plans such as the IMTP and plans for workforce, digital and estates?	**Partially**	The Health Board's annual plan identifies high-level critical enablers including workforce, estates, and digital services, with alignment to planned care improvement aims. However, this does not contain the level of detail needed to implement sustainable specialty-level service models.
Do the Health Board's planned care priorities align with those in other health boards and identify regional solutions to planned care recovery?	**Yes**	A joint committee has been established between Swansea Bay and Hywel Dda University Health Boards to support sustainable delivery of services for patients across the region. Regional plans include ophthalmology, diagnostics, and orthopaedic services. These regional arrangements are appropriately included in the current Annual Plan and reflects the need for a sustainable and shared approach to planned care service delivery. While some aspects such as orthopaedics is progressing fairly well, regional ophthalmology and diagnostics services are at early stages of implementation.

Source: Audit Wales fieldwork

Planned care programme delivery and oversight

15 We found that **whilst the Health Board is strengthening its planned care programme leadership and oversight, it needs stronger programme risk arrangements.**

16 The findings that have led us to this conclusion are summarised in **Exhibit 3**.

Exhibit 3: the Health Board's approach to the programme management of planned care improvement

Audit question	Yes / No / Partially	Comments
Does the Health Board have a clear and appropriately resourced improvement programme to support planned care recovery?	**Partially**	The Health Board's planned care programme arrangements are changing. Its directorates have managed operational delivery and improvement reporting to the Integrated Quality, Finance Performance and Delivery Group. Capacity for transformation is an issue, although an appointment has recently been made to lead on outpatient and theatres transformation. The Health Board is also establishing a Planned Care Delivery Programme Group in April 2025 that will lead the delivery of the planned care improvement programme. The Health Board needs to develop a transformation programme that is focused on creating sustainable service models **(Recommendation 2).**
Is planned care recovery supported by clearly defined operational accountabilities and effective clinical leadership?	**Yes**	The Chief Operating Officer leads planned care recovery and the Health Board's targeted intervention response. The Director of Performance and Operational Planning is the senior operational leader responsible for delivering planned care. At the time of our work, the Health Board's planned care directorate worked well with specialty service management teams. There is also appropriate clinical leadership in place through the Clinical Director for planned care.
Has the Health Board undertaken a risk assessment to understand the issues that could prevent delivery of planned care improvement aims?	**Partially**	The Health Board's corporate risk register provides good oversight of its planned care risks. At the time of our work, the Strategic Development and Operational Delivery Committee actively monitored the corporate risks that affect delivery of ministerial planned care priorities. From April 2025, performance oversight moved to the Finance and Performance committee. Operational planned care risks are reviewed at weekly 'watchtower' operational meetings. However, there is no operational

Audit question	Yes / No / Partially	Comments
		planned care risk register to manage the risks that could affect planned care programme delivery. These arrangements should be incorporated into the new Planned Care Delivery Programme Group arrangements **(Recommendation 3).**
Is performance on planned care recovery routinely reported to the appropriate committee/s and to the board?	**Yes**	The Board and committees effectively oversee planned care performance and improvement. Board performance reports track and monitor planned care targets, including the Ministerial priorities. Until 31 March 2025, the Strategic Development and Operational Delivery Committee received a quarterly planned care update providing a detailed deep dive into the latest position, performance against trajectory and reasons for delivery plan variances. From 1st April, reporting moved to the new Finance and Performance Committee.

Source: Audit Wales fieldwork

Utilisation of additional Welsh Government funding

17 We have looked at the Health Board's use of the additional planned care allocation that it has received from the Welsh Government. This section considers:

- the overall amount of additional planned care funding the Health Board has received from Welsh Government over the last three years;
- how the Health Board spent the money; and
- the Health Board's arrangements for overseeing how it has spent additional funding.

Use of additional funding

18 We found that **since 2022-23 the Health Board has received a total of £72.7 million in additional Welsh Government planned care funding. Similar to other health bodies in Wales, it is focusing the funding on short term improvements with limited investments in service transformation to help make planned care services financially sustainable in the longer term.**

19 To support planned care recovery over and above existing funding, the Health Board received a total additional Welsh Government allocation of £72.74m between 2022-23 and 2024-25 (**Exhibit 4**).

Exhibit 4: the Welsh Government's allocation to the Health Board to support planned care improvement

Financial year	Annual allocation (£m)
2022-23	23.06
2023-24	23.11
2024-25	26.57[7]
Total allocated	72.74

Source: Health Board financial self-assessment returns

20 The Health Board can appropriately account for the money that is has received and planned care monies have been committed to the service areas intended. We reviewed the use of the funding in 2023-24 in greater detail (**Exhibit 5)**. During this year, the Health Board allocated £15.4 million to increasing planned care activity, with £6.6 million allocated to regional working and a further £1.2 million allocated to wider planned care improvement. The Health Board has spent most of the planned care monies on planned care services. However, around £2.7 million was used to open additional unscheduled care beds which indirectly was intended to increase planned care flow. The Health Board has also used other funding sources to support planned care service improvement. Therefore, the total planned care spends identified in **Exhibit 5** exceeds the specific annual Welsh Government allocation. In March 2025, the Health Board signalled the intention to hand back £230,000 of planned care recovery monies because it could not spend it on securing additional planned care capacity by the end of the financial year.

21 **Exhibit 5** shows that the Health Board spent a significant proportion of the Welsh Government planned care allocation on a broad range of activity. It has funded increased diagnostic and treatment capacity through additional waiting lists, insourcing and outsourcing. This covers a range of specialties including urology, orthopaedics, cataracts, ear, nose and throat, and vascular services. It has also funded the Promote, Prevent and Prepare programme to support patients while waiting. Whilst these will all increase capacity in the short-term, there is limited spending on service transformation which could help manage future demand.

[7] In November 2024, Welsh Government allocated the Health Board a further £6.32 million non-recurrent funding specifically to address the risk to delivery of the 104-week target.

Exhibit 5: use of the 2023-24 Welsh Government additional financial allocation, Hywel Dda University Health Board

	Performance improvement funding (£m)	Transformation funding (£m)	Planned care and unscheduled care sustainability (£m)
Planned care administration	0.020	0.321	
Promote, Prevent, Prepare (including prehab)		0.447	0.423
Diagnostics (insourcing)	4.228		5.209
Triage and outpatients	0.144	0.072	
Increasing treatment capacity (Waiting list initiatives and outsourcing)	2.195	0.325	13.308
Recovery staffing and other posts			1.040
Unscheduled care (to increase elective bed capacity)			2.682
Total allocated	**6.587**	**1.165**	**22.662**

Source: Audit Wales analysis of Health Board self-assessment returns

Monitoring impact of additional funding

22 We have considered the extent that the Health Board oversees the use of the Welsh Government planned care financial allocations. We found that **despite reasonable arrangements to oversee the use of the additional Welsh Government planned care financial allocation, we have not seen evidence of monitoring of impact.**

23 The Health Board has a clear understanding of where it is intending to spend its additional planned care allocation. We observed a focus on the financial performance of the planned care directorate presented at the Health Board's Sustainable Resources Committee and the Strategic Development and Operational Delivery Committee[8]. At the time of our fieldwork, the Director of Secondary Care (now the Director of Performance and Operational Planning) had delegated authorisation for the planned care recovery monies. There is a weekly oversight meeting where planned care senior managers and financial business partners review financial plans. A report from the Director of Secondary Care is presented to the Integrated Quality, Financial Performance and Delivery Group meeting which includes financial updates. However, we have not seen any evidence of more detailed monitoring of whether the specific investments delivered the expected improvements **(Recommendation 4)**.

[8] From 1 April 2025, the Sustainable Resources Committee was replaced by the Finance and Performance Committee and Strategic Development and Operational Delivery Committee was replaced by the Strategy and Planning Committee.

Operational management of planned care

24 Alongside the well-planned use of additional funding, health boards' ability to secure meaningful and sustainable planned care improvements will be dependent on them optimising their routine operational arrangements for planned care. In this section we consider the actions the Health Board is taking:

- to maximise its use of existing resources; and
- to protect and increase its planned care capacity.

Maximising the use of existing resources

25 We have examined some opportunities that exist for the Health Board to improve efficiency and productivity, and the actions it is taking to maximise the use of its existing resources. We found that **the Health Board is achieving some efficiencies such as the use of day case surgery. However, significant opportunities remain to improve utilisation of operating theatres, maximise the use of outpatient capacity and address outstanding Getting It Right First Time recommendations.**

26 **Exhibit 6** identifies efficiency and productivity opportunities that could help maximise the use of existing resources within the Health Board to support planned care improvements.

Exhibit 6: efficiency and productivity opportunities

Opportunity area	Audit findings
Responding to Getting it Right First Time (GIRFT) reports	The Health Board has made mixed progress in responding to its GIRFT review recommendations. It has received reviews on urology, general surgery, orthopaedics and ophthalmology. However progress in some areas such as ophthalmology is limited, and the Health Board needs to accelerate its response **(Recommendation R5).**
Arrangements for measuring and managing productivity of services	The Health Board is driving efficiency improvement, for example through: • introduction and delivery of the Productive and Effective Elective Pathways Improvement Plan. This plan focusses on improving waiting list management, outpatient transformation, referral management and pre-operative pathway administration and theatre utilisation and diagnostic pathway optimisation. The Health Board has achieved a 30% reduction in planned care referrals through more effective triage arrangements. • performance reporting which tracks demand, available capacity and the actual activity undertaken per speciality. This helps the Health Board assess productivity and delivery gaps.

Opportunity area	Audit findings
	• the planned care watchtower meeting, which reviews operational progress against all aspects of planned care delivery and identifies areas for improvement and takes action.
Reducing non-attendance at outpatient appointments	**Exhibit 18 page 36** shows that there are around 6.9% of outpatient appointments where the patient did not attend (DNA). A 6.9% DNA rate equates to a loss of approximately 21,000 appointments. If the Health Board could reduce its outpatient DNA rate by 20% (i.e. to 5.5%) it would provide around 4,200 additional outpatient appointments and avoid wasting the equivalent of approximately £0.6 million of NHS resources each year.
Making use of "virtual" outpatient appointments	Virtual outpatient appointments can have a positive impact on reducing the need for travel and healthcare acquired infections. For the period April to February 2025, 17.1% of all the Health Board's outpatient appointments were virtual **(Exhibit 19 Page 37).** The Health Board is looking at new ways of increasing this activity, recognising that its current virtual outpatient levels are below the immediate post pandemic period**.**
Reducing the number of cancelled operations	The Health Board has the second lowest percentage of surgical cancellations in Wales. However, there were still 2,277 individual short notice surgical procedures cancelled within 24 hours in the latest 12-month reporting period (between March 2024 and February 2025). This accounted for 9% of all its elective surgical admissions **(Exhibit 20, page 38).** Despite the Health Board's focus on prehabilitation to optimise health prior to treatment, the main reason for short notice cancellations is that patients are unfit for the procedure **(Exhibit 21, page 39).**
Improving operating theatre utilisation	There are clear arrangements for monitoring and managing theatre utilisation. These include the Theatres Utilisation Group and the delivery of the Theatres Maximisation Programme which both aim to drive improvements in theatre utilisation and scheduling. The Health Board has set theatre efficiency targets. Despite its efforts, a key challenge affecting theatre utilisation that the Health Board is facing is the lack of availability of anaesthetists.
Making more use of day case surgery	The Health Board is performing well on its day case levels and is continuing work to increase day case rates across its care pathways. The Health Board is performing better than the all-Wales average and is close to meeting the GIRFT target of 85% of all surgery performed as day case (**Exhibit 22, Page 40**).

Opportunity area	Audit findings
Effective consultant job planning	At the time of our work, 87% of planned care directorate job plans had been formally reviewed and signed off. The Health Board recognises the need to review job plans as part of the implementation of the future Clinical Services Plan, and any consequent action to modernise and transform specialty services
Pooled lists within a Health Board specialty to ensure it treats its patients in turn	The majority of waiting lists are pooled, with some exceptions for specialised treatments in gynaecology, general surgery and trauma and orthopaedics.

Source: Audit Wales fieldwork including analysis of NHS Wales data, and Health Board self-assessment and data returns

Protecting and increasing planned care capacity

27 We examined the actions the Health Board is taking to protect planned care capacity by separating out elective and emergency activity. We also looked at the actions the Health Board is taking to increase its planned care capacity.

28 We found that **the Health Board has increased short-term planned care capacity through insourcing, outsourcing and regional working, but unless these significantly increase the Health Board is unlikely to reduce the overall waiting list and associated long waits.**

29 The Health Board is taking steps to ringfence capacity within its hospitals exclusively for planned care pathway patients. Only during periods of extreme escalation, and in accordance with NHS Wales escalation principles, planned care beds are reprioritised to alleviate urgent and emergency care pathway pressures.

30 The Health Board is insourcing and outsourcing resources to boost planned care capacity to help it meet short term needs. The Health Board has also undertaken Waiting List Initiatives in radiology, urology, ophthalmology, and orthopaedics. In 2023-24 it spent around £2.2 million on increasing treatment capacity and in November 2024, Welsh Government allocated the Health Board with an additional £6.3 million to help towards achieving the 104-week targets in these specialties.

31 The Health Board is working with Swansea Bay University Health Board to expand regional working to boost planned care service capacity in key areas. It has established a joint committee to support sustainable delivery of services for patients across the region. The two Health Boards are working on regional solutions within a range of areas including ophthalmology, diagnostics, and orthopaedics. Regional working has delivered increased capacity for high volume low complexity procedures in orthopaedics.

Managing clinical risk and harm associated with long planned care waits

32 Long patient waits increase the risk of preventable irreversible harm. Patients' health may deteriorate while waiting, they may be waiting in pain and with anxiety and uncertainty not knowing when they will finally receive treatment. They may also not be able to work or support or care for others while they are waiting. We considered whether the Health Board has sound arrangements to:

- identify, manage, and report on clinical risk and harm associated with long waits; and
- effectively communicate with patients who are on a waiting list and to manage potential inequalities in access to care.

33 We found that **the Health Board has a well-established waiting well service in line with the Welsh Government's Promote, Prevent and Prepare policy, but it needs to strengthen reporting on actual harm resulting from long planned care waits to the Board and its relevant committee.**

34 The findings which have led us to this conclusion are summarised in **Exhibit 7**.

Exhibit 7: the Health Board's approach to managing clinical risks and communicating with patients on waiting lists.

Audit question	Yes / No / Partially	Comments
Has the Health Board implemented the first phase of the Welsh Government's Promote, Prevent and Prepare (3Ps) for Planned Care policy[9]?	**Yes**	The Health Board has a well-established waiting well service. Patients on waiting lists have a single point of contact, and access to support which include falls screening, weight loss support and pain management. The Health Board has raised awareness of the service through various mediums including via social media, its website, GP practices, local newspapers, and direct letters/phone calls.
Is the Health Board assessing the risk to patients waiting the longest?	**Yes**	The Health Board uses the DATIX system to record clinical risk resulting from a delay in treatment. However, there is no consistent methodology used by specialties to assess risk and inform reporting on the risk of harm or instances of recorded harm **(Recommendation 6.1).**

[9] Promote, Prevent and Prepare for Planned care policy to ensure that support and information is easily accessible to those waiting for appointments and interventions

Audit question	Yes / No / Partially	Comments
Is the Health Board capturing and reporting evidence of harm resulting from waiting list delays and reporting on it to the Quality and Safety Committee?	**No**	There are high numbers of patients waiting, particularly on follow-up outpatient lists, many within specialties managing high-risk conditions. Despite the extent of long waits, there is no reporting of harm resulting from waiting list delays to the Quality, Safety and Experience Committee **(Recommendation 6.2).**
Is the Health Board effectively balancing the tension between eliminating long waits and managing clinical risks in its approach to prioritising patients?	**Yes**	The Health Board has a Treat in Turn policy. Our fieldwork suggests clinicians are trying to balance the need to treat in turn with levels of clinical risk and patient acuity.
Does the Health Board monitor and record how many patients are leaving planned care waiting lists in favour of private treatment?	**No**	The Health Board does not routinely monitor how many patients may have left the waiting list in favour of private treatment. Information would only be collated if provided by the patient, and as such would not be reliable as a metric. The Health Board has acknowledged that some patients will seek private treatment outside of the NHS due to the long waits they have experienced. It is also unclear how many patients pay for a private outpatient appointment but then return to the Health Board for treatment/surgery, and if this occurs, whether they are treated more expediently.

Source: Audit Wales fieldwork

Waiting list performance – is the action taken resulting in improvement?

35 We analysed current 'Referral to Treatment (RTT)'[10] waiting list performance and trends to determine whether the Health Board is:

- reducing the overall levels of waits; and
- meeting Ministerial priorities and Welsh Government national targets.

36 We found that **the Health Board is now making good progress towards Welsh Government waiting list targets and addressing the longest waits[11], however the overall numbers of patients waiting are not returning to pre-pandemic levels and present an ongoing challenge.**

The scale of the waiting list

37 Across Wales, the scale and extent of waits increased following the COVID-19 pandemic. We have looked at these changes in terms of the overall size of the waiting list. We have also considered both the volume of waits for diagnostics and therapy services and trends in referral rates. We found that **following significant growth in the waiting list in 2021 and 2022, the Health Board's overall number of waits currently remains around 40,000 greater than before the pandemic.**

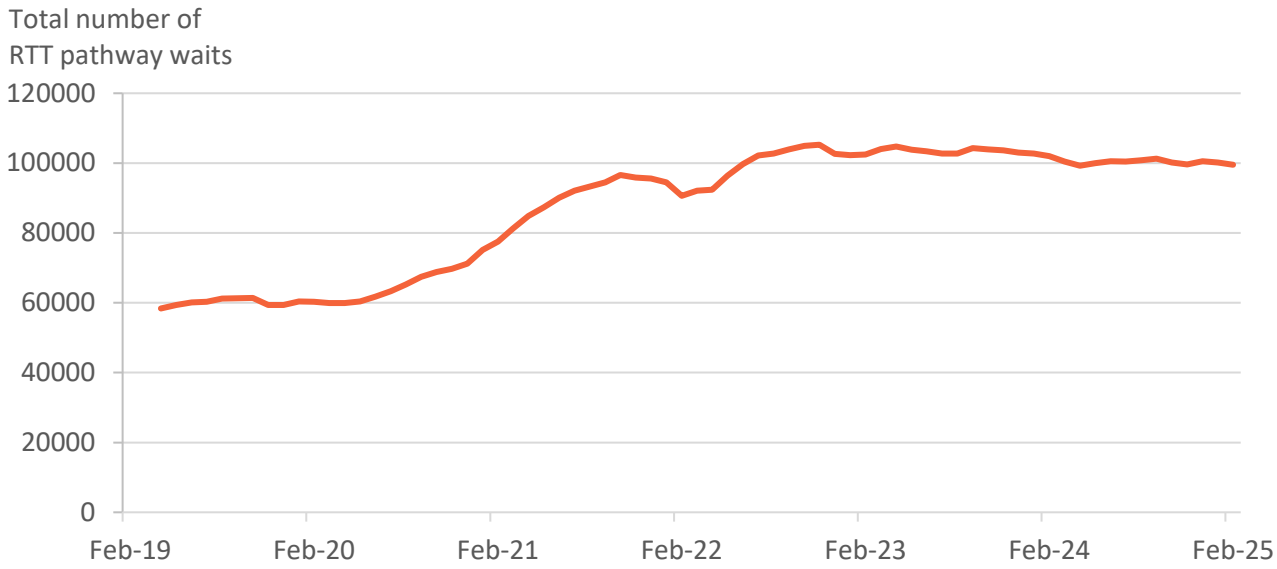
38 **Exhibit 8** shows the overall trend of planned care waits for the Health Board since April 2019. This indicates a 71% increase in the number of waits from around 58,400 in April 2019 to nearly 100,000 in February 2025[12]. The action that the Health Board is taking to reduce the overall level of waits is not having a significant positive impact.

[10] Referral to Treatment is how the NHS records the timeliness of planned care. It starts when a Health Board receives a referral and finishes when it has treated the patient. During that patient pathway, the NHS records distinct stages, including new outpatient appointment, diagnostic, follow up appointment or therapeutic intervention and treatment.

[11] The Welsh Government set out recover targets in 2022 as part of its programme for transforming and modernising planned care and reducing waiting lists in Wales.

[12] Our figures are based on NHS Wales's 'open' referral to treatment measure. The measure counts the number of pathways which have started but not yet completed treatment, rather than people.

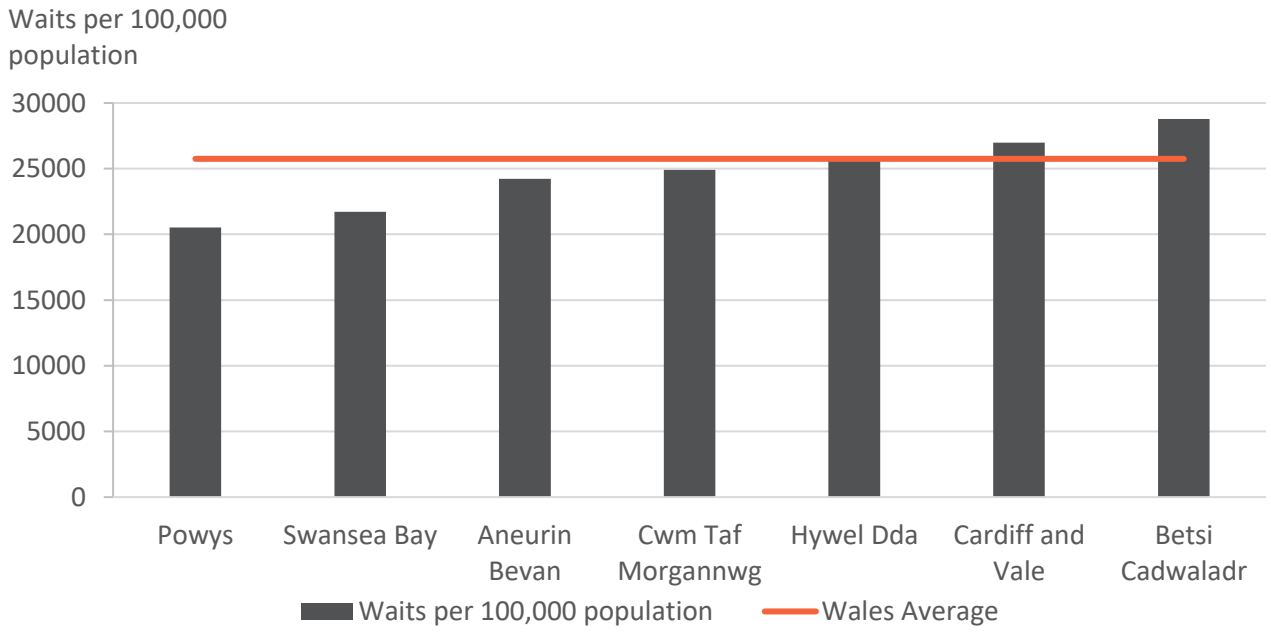
Exhibit 8: planned care waiting list size, Hywel Dda University Health Board



Source: Welsh Government, Stats Wales

39 **Exhibit 9** provides a comparative picture of the volume of waits across Wales showing that the comparative level of waits in the Health Board is in line with the Welsh average.

Exhibit 9: waits per 100,000 head of population, by health board of residence, February 2025



Source: Welsh Government, Stats Wales. Note: Powys data is for October 2024.

Performance against national targets/priorities

40 We looked at the progress that the Health Board is making against the Welsh Government's aims[13]. These are:

- No one waiting longer than a year for their first outpatient appointment by the end of 2022 (**target date revised to December 2023[14]**).
- Eliminate the number of people waiting longer than two years in most specialties by March 2023 (**target date revised to March 2024**[6]).
- Increase the speed of diagnostic testing and reporting to eight weeks and 14 weeks for therapy interventions by Spring 2024.
- Eliminate the number of people waiting longer than one year in most specialties by Spring 2025.

41 We found that **while the Health Board did not meet the Welsh Government's waiting list reduction targets, it has made reasonably good progress. It needs to ensure that the momentum is maintained with further action to reduce long waits[15].**

No one waiting longer than a year for their first outpatient appointment

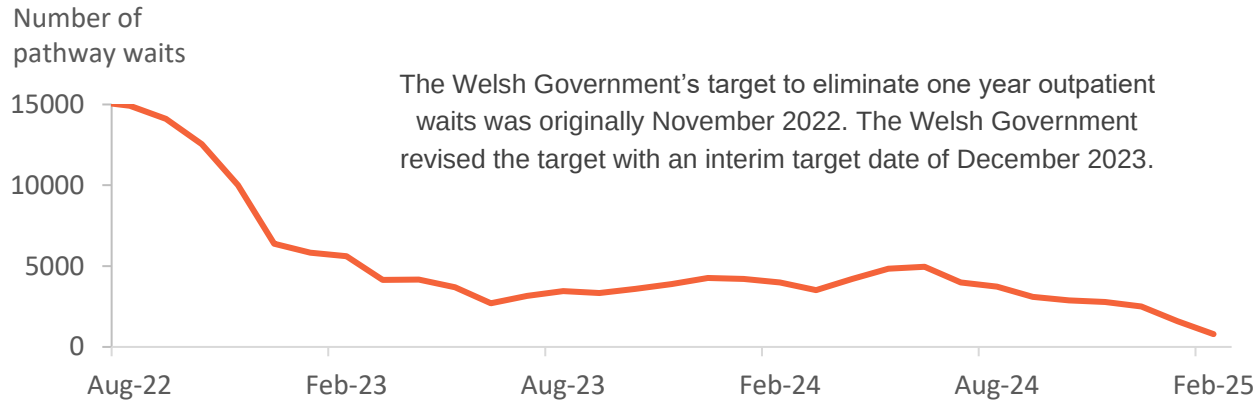
42 **Exhibit 10** shows the Health Board's waiting list performance for first (new) outpatient appointments. It failed to meet the original December 2022 Welsh Government target to ensure no one waited more than a year for their new outpatient appointment. However, the Health Board has made positive improvements over the last six months.

[13] Performance on cancer services is outside the scope of this review.

[14] Health boards did not meet the original targets for first outpatient appointment and number of people waiting longer than two years. As a result, the Welsh Government agreed to set interim targets (**in bold**, above).

[15] Performance data within our report is reported by Health Board patient residence (as opposed to Health Board provider) which may explain differences in reported positions. Audit Wales have applied this methodology consistency to reflect the responsibility of the Health Board to its residents regardless of the place of treatment.

Exhibit 10: the number of first (new) outpatient appointment waits that are over a year since referral, Hywel Dda University Health Board

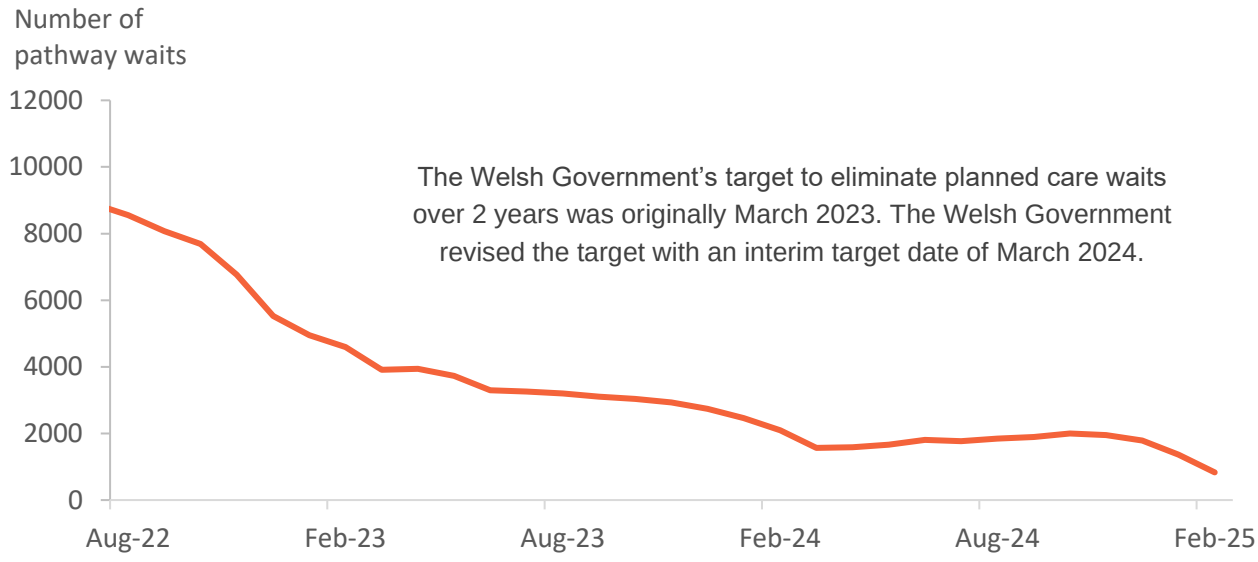


Source: Welsh Government, Stats Wales

Eliminate the number of pathways longer than two years in most specialties by March 2023

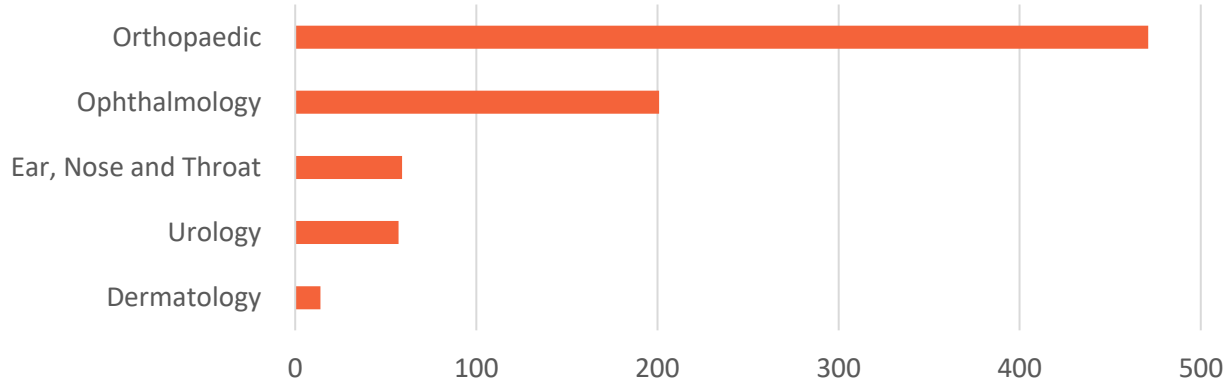
43 **Exhibit 11** shows that the Health Board did not meet the original Welsh Government target to eliminate waits over two years by March 2023. It made good progress until March 2024, and recent improvements have seen two-year waits fall to 831 in February 2025. Of those waits currently over two years, **Exhibit 12** shows that the most extreme waits are in a small number of specialties. Orthopaedics is a clear concern but longer waits in other specialties may also present an elevated risk of harm resulting from treatments delays.

Exhibit 11: the number of planned care waits over two years, Hywel Dda University Health Board



Source: Welsh Government, Stats Wales

Exhibit 12: the number of planned care waits over two years by specialty as of February 2025, Hywel Dda University Health Board

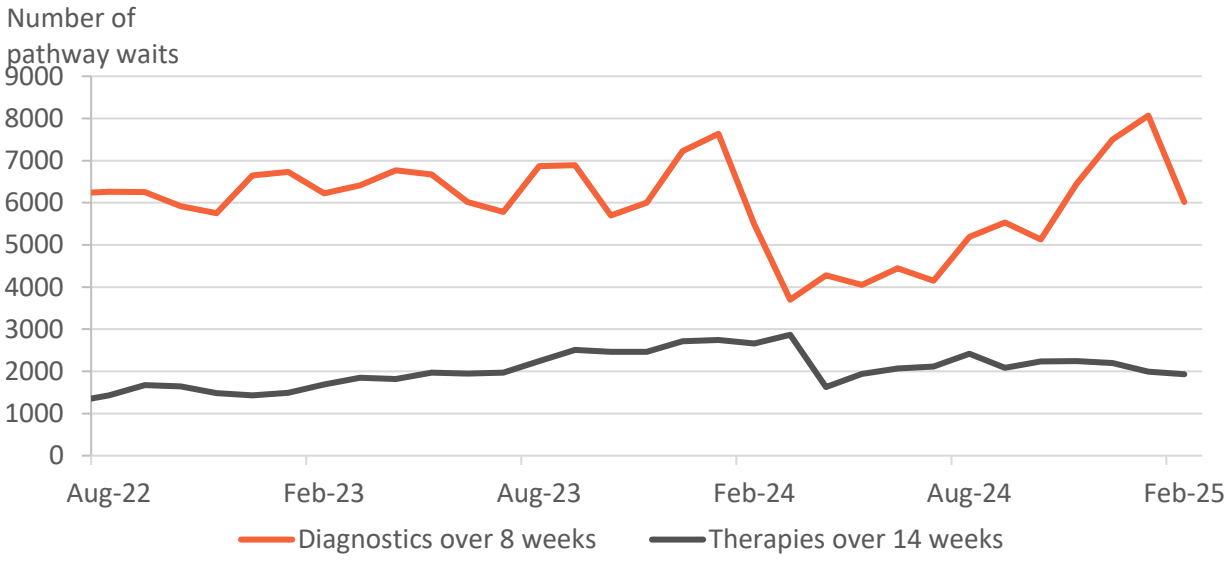


Source: Welsh Government, Stats Wales

Increase the speed of diagnostic testing and reporting to eight weeks and 14 weeks for therapy interventions by Spring 2024

44 The Welsh Government sought to increase the speed of diagnostic testing and reporting to eight weeks and 14 weeks for therapy interventions by Spring 2024. The Health Board struggled to meet both these targets (**Exhibit 13**). Of its diagnostic services, radiology and neurophysiology diagnostics are the areas of greatest concern because of the proportion of long waits in those areas.

Exhibit 13: the number of diagnostic and therapy pathway waits that breach Welsh Government targets (diagnostic waits is an eight-week target, therapies waits is a 14-week target), Hywel Dda University Health Board

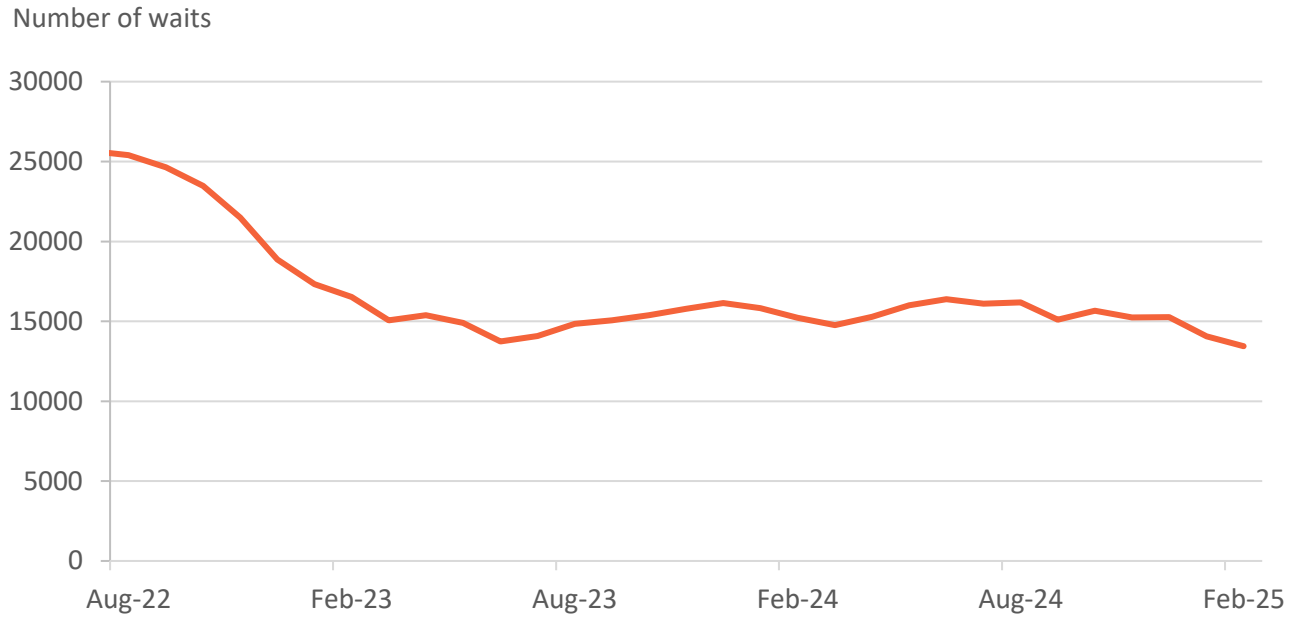


Source: Welsh Government, Stats Wales

Eliminate the number of people waiting longer than one year in most specialties by Spring 2025

45 The Welsh Government's longer-term ambition was to eliminate waits over one year in most specialties by Spring 2025. **Exhibit 14** shows positive improvement between August 2022 and June 2023, followed by a period where performance has plateaued. The last six months performance, however, has started to see a notable reduction in one-year waits.

Exhibit 14: the number of pathway waits that are over a year, Hywel Dda University Health Board



Source: Welsh Government, Stats Wales

Barriers to further improvement

46 We have considered the factors that are affecting the Heath Board's ability to tackle its waiting list backlog and secure sustainable improvements in planned care, together with actions that it is taking to address them.

47 We found that **the Health Board recognises the barriers to planned care improvement, but is significantly affected by financial challenges, a lack of long-term transformation plans and is constrained by limited staff resources in some areas. Our fieldwork has found challenges in the following areas:**

- **Demand for planned care services** - There is increasing demand for services, partly as a legacy from the pandemic and partly because patients are waiting longer and deteriorating, which is adding to pressures. The Health Board is reducing the number of long waits and containing growth in the overall numbers of patients on the waiting list, however long-term referral demand is increasing **(Exhibit 16, Page 35).** At the same time, our analysis of the levels of medical and surgical admissions indicates that service activity is increasing to pre-pandemic levels **(Exhibit 17, Page 35).** If this continues, this may allow the Health Board to balance growing demand and supply, but it needs to ensure that its approach is financially sustainable.
- **Financial pressures** - The Health Board is under significant financial pressures and is currently under Level 4 Targeted Intervention for finance, strategy, and planning. This may result in the Health Board having to make short-term financial recovery decisions which may affect its ability to fully deliver on its planned care recovery ambitions.
- **Workforce capacity** - The Health Board has identified that staffing issues are presenting operational challenges. This includes recruitment to key roles including anaesthetic and operating theatre workforce which can limit the volume of operating sessions. The Health Board is trying to improve capacity and reduce demand through application of best practice and pathway transformation opportunities along with active exploration of opportunities on a regional footprint to improve access.
- **Unscheduled care** – The Health Board continues to face unscheduled care pressures. While it is taking action to minimise the impact of urgent care demand on planned care services, this continues to present a risk to recovery.
- **Capacity to support transformation** - The Health Board has deliberately focused on addressing immediate demand and reducing waiting lists. This, alongside wider resourcing, and capacity challenges, is limiting opportunities for longer-term transformation work and the ultimate need to implement sustainable modernised services.

48 The Health Board has started to address some of these barriers, although several are at the initial stages of implementation. It has created a new Theatres Group and a Theatres Maximisation Programme and has introduced a Productive and Effective Elective Pathways Improvement Plan to drive change, as described in **Exhibit 6**. The Health Board is also working to reduce length of stay for older patients through its new frailty model.

Appendix 1

Audit methods

Exhibit 15 sets out the methods we used to deliver this work. Our evidence is based on the information drawn from the methods below.

Exhibit 15: audit methods

Element of audit methods	Description
Documents	We reviewed a range of documents, including: • Planned Care Performance Trajectory Plans • Annual Plan 2024/25 • Public Board Meeting papers • RTT Watchtower weekly meeting agenda and papers • Strategic Development and Operational Delivery Committee (SDODC) • Quality, Safety and Experience Committee (QSEC) papers • Performance Reports • Targeted Intervention Updates • GIRFT reviews • Internal Audit Reports • Terms of References • Corporate Risk Register
Self-assessment	We issued and then analysed a self-assessment completed by the Health Board.
Interviews	We interviewed the following: • Chief Operating Officer • Director of Secondary Care (now Director of Performance and Operational Planning) • Clinical Director Scheduled Care and National Lead • General Manager Scheduled Care (now Clinical Care Group Director for Planned Care) • Quality, Safety and Experience Committee Chair • Head of Strategic Commissioning

Element of audit methods	Description
	• Deputy Director of Finance • Improvement and Transformation lead (Promote, Prevent and Prepare Lead)
Observations	We observed the RTT Watchtower weekly meeting July 2024.
Data analysis	We analysed key data on: • waiting list performance; • financial spend; and • outpatient and inpatient efficiencies.

Appendix 2

Audit criteria

Main audit question: **Is the Health Board effectively managing its planned care challenges?**

Level 2 questions	Level 3 questions	Audit Criteria (what good looks like)
Is the Health Board's waiting list performance improving?	What is the scale of the challenge? Is the Health Board meeting Welsh Government targets/ambitions?	The Health Board has: • made progress reducing the overall number of referral to treatment waits for planned care services; and • met Ministerial priorities and national targets that were set by the Welsh Government.
Does the Health Board have a clear plan and a programme of action to support planned care waiting list recovery?	Does the Health Board have a clear, realistic, and funded plan in place for planned care recovery? Is there a clear programme structure to deliver planned care improvement?	The Health Board has: • clear, realistic, and funded plan in place for planned care recovery in the short and longer term; and • a programme structure that appropriately supports the delivery of the plan.

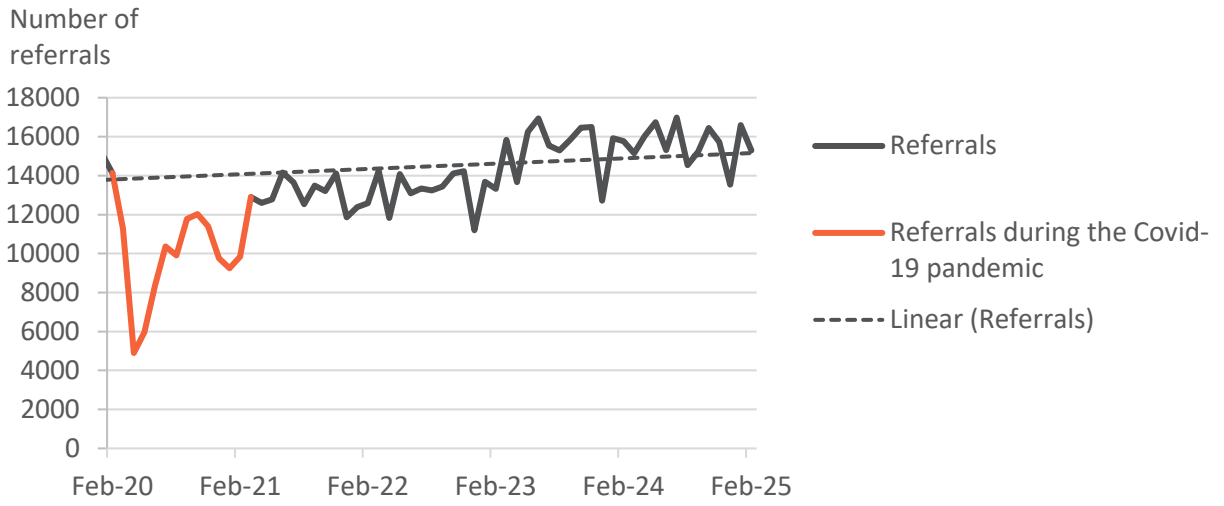
Level 2 questions	Level 3 questions	Audit Criteria (what good looks like)
Is the Health Board maximising the impact of its funding to address the planned care backlog?	Is it clear what additional monies have been received by the Health Board? Is it clear what the additional waiting list monies have been spent on? Did the Health Board aim to use all the money on planned care improvement? Can the Health Board clearly demonstrate that the money has resulted in performance improvement, enabled service efficiency and/or new ways of working? Is the Health Board's overall financial position affecting its ability to deliver sustainable planned care recovery?	• There is sufficient evidence that the Health Board spent the money as intended by the Welsh Government (i.e. addressing waits and transforming services). • The Health Board can clearly demonstrate that the spend has resulted in improvement. • The Health Board's overall financial position is not affecting its ability to support planned care recovery.
Does the Health Board have effective operational management arrangements to drive improvement and management of clinical risks?	Is the Health Board improving its operational management of planned care services? How does the Health Board capture information on clinical risk relating to long planned care waiting lists?	The Health Board is: • improving the operational management of planned care services; and • capturing information and managing clinical risks and harm related to long planned care waiting lists.
	How does the Health Board capture information on clinical risk relating to long planned care waiting lists? Is the Health Board sufficiently managing clinical risks resulting from delays to treatment? Is the Health Board proactively ensuring clear routes of communication when patients are concerned that they are deteriorating?	The Health Board: • has sound arrangements to identify, capturing, and report on clinical risk and harm associated with long waits; • is proactively managing clinical risks resulting from delays to treatment and effectively communicating with patients.

Level 2 questions	Level 3 questions	Audit Criteria (what good looks like)
Does the Health Board sufficiently understand barriers to improvement and what needs to be done to address them?	Does the Health Board understand the barriers it has experienced to improvement in planned care performance? (Capacity, funding, recruitment & retention, estates/use of facilities, commissioning external healthcare?) What mechanisms and interventions have been put in place by the Health Board to address these barriers? Is the Health Board learning and sharing good practice where things have gone well?	The Health Board has: • identified its risk and barriers and acted on these to address long planned care waiting lists in the short term and sustainable service models in the longer term. • good arrangements for seeking good practice and sharing and applying learning to improve planned care services.

Appendix 3

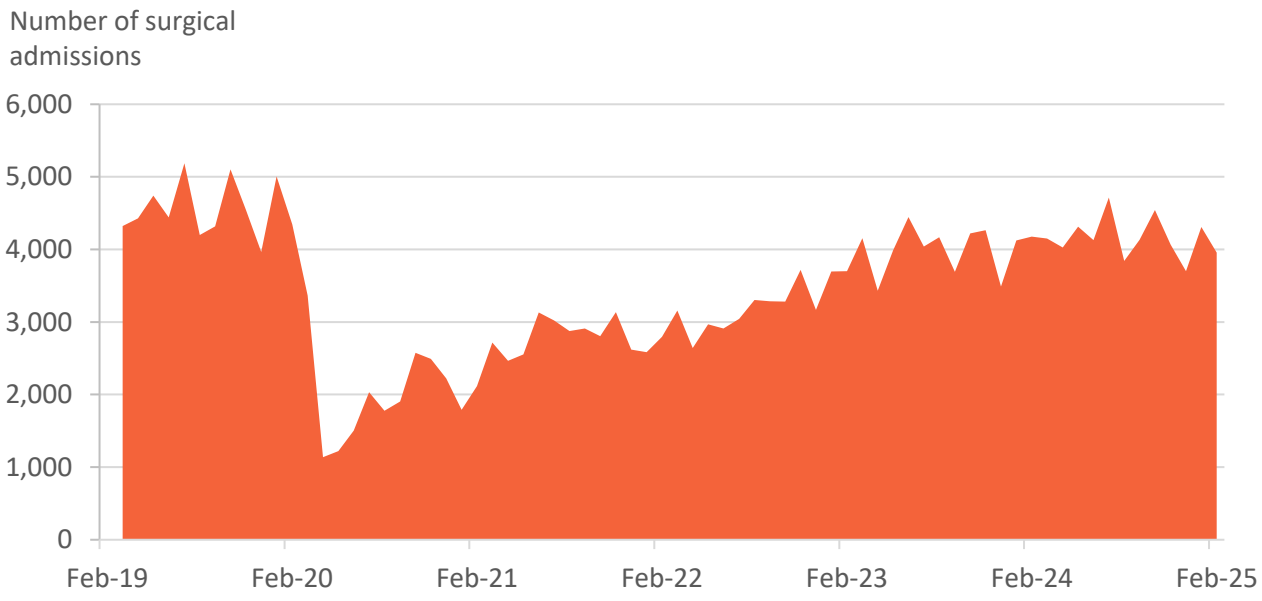
Additional data analysis on planned care

Exhibit 16: trend of monthly referrals to Hywel Dda University Health Board



Source: Stats Wales

Exhibit 17: monthly elective medical and surgical admission levels, Hywel Dda University Health Board

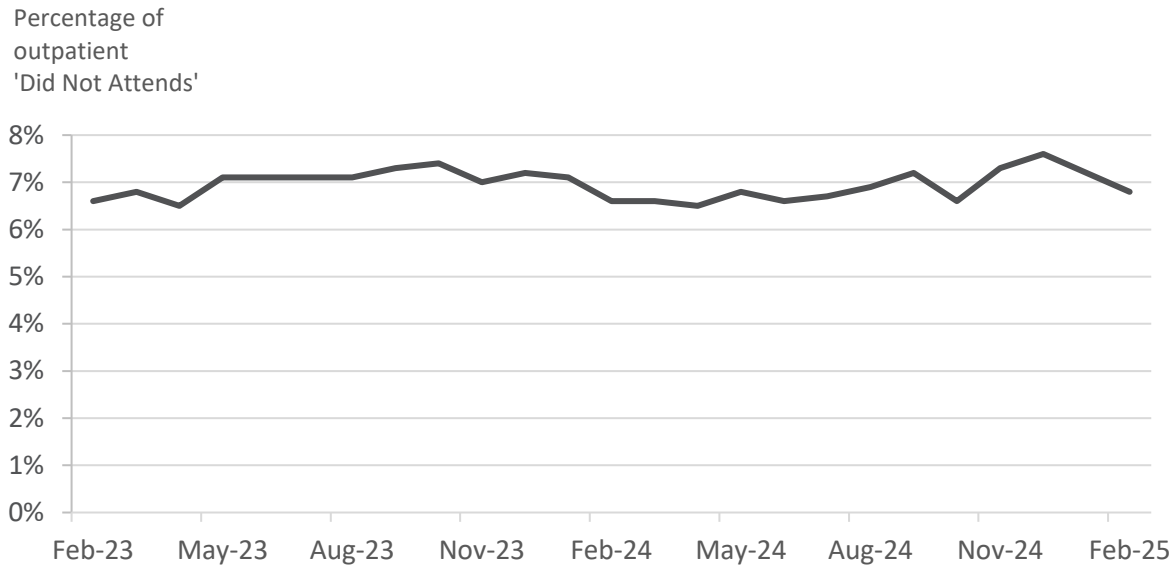


Source: Digital Health and Care Wales secondary care dashboard

Outpatient services

49 Outpatient appointments where a patient 'did not attend' is inefficient. **Exhibit 18** shows that the Health Board's 'Did Not Attends' is around 6.9% of total outpatient clinic activity. This equates to around 21,000 lost patient appointments in the most recent 12-month period to February 2025. It represents a lost opportunity cost of around £3.2 million (£150 per appointment[16]). If the Health Board could reduce its outpatient Did Not Attends by 20%, it could potentially save around £0.6 million.

Exhibit 18: the number and percentage of outpatient 'Did Not Attends', Hywel Dda University Health Board

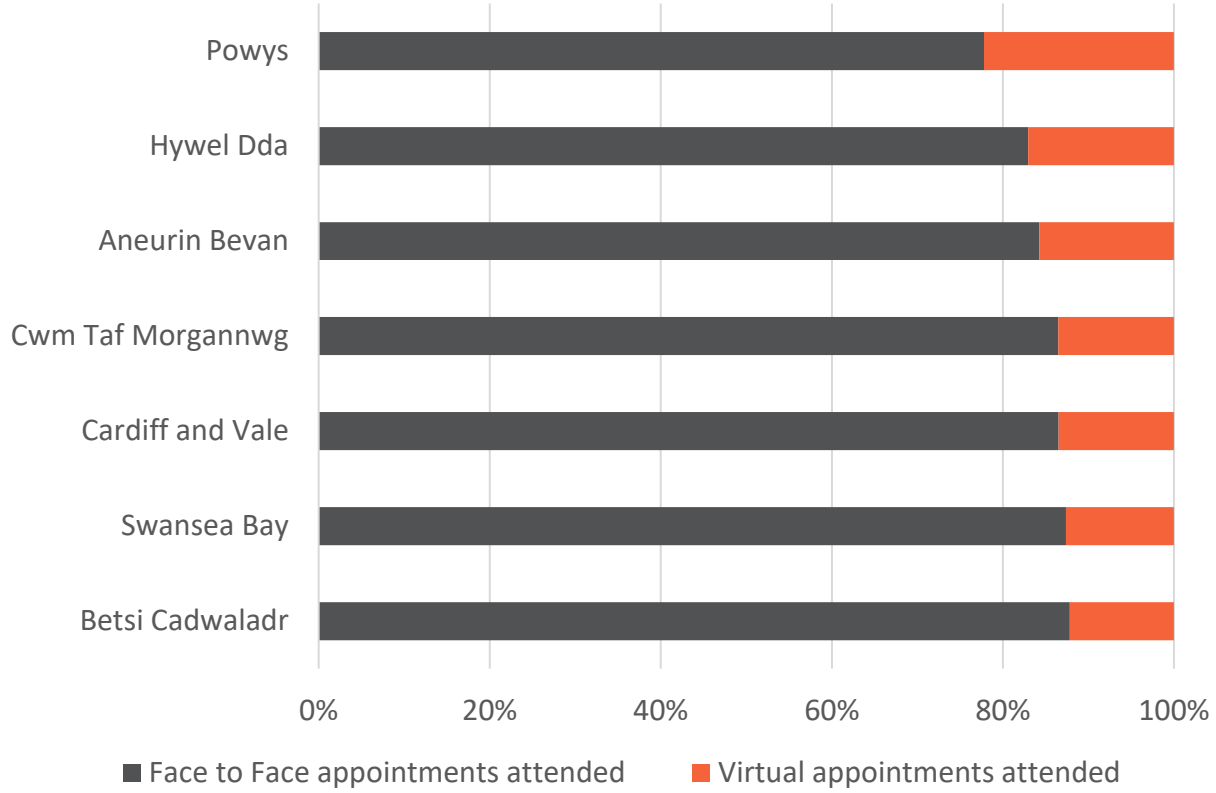


Source: Digital Health and Care Wales secondary care dashboard and datasets

50 NHS bodies can use virtual outpatient appointments for some but not all patients. **Exhibit 19** shows that the 'virtual' consultation approach is not well-adopted in most health boards. However, Hywel Dda University Health Board's performance is the second highest in Wales.

[16] We have adjusted the 2018 NHS England cost of an outpatient appointment (£120) by Bank of England CPI rates to estimate current average outpatient costs in 2024.

Exhibit 19: proportion of outpatient attendances that are virtual appointments, 12-month period ending February 2025

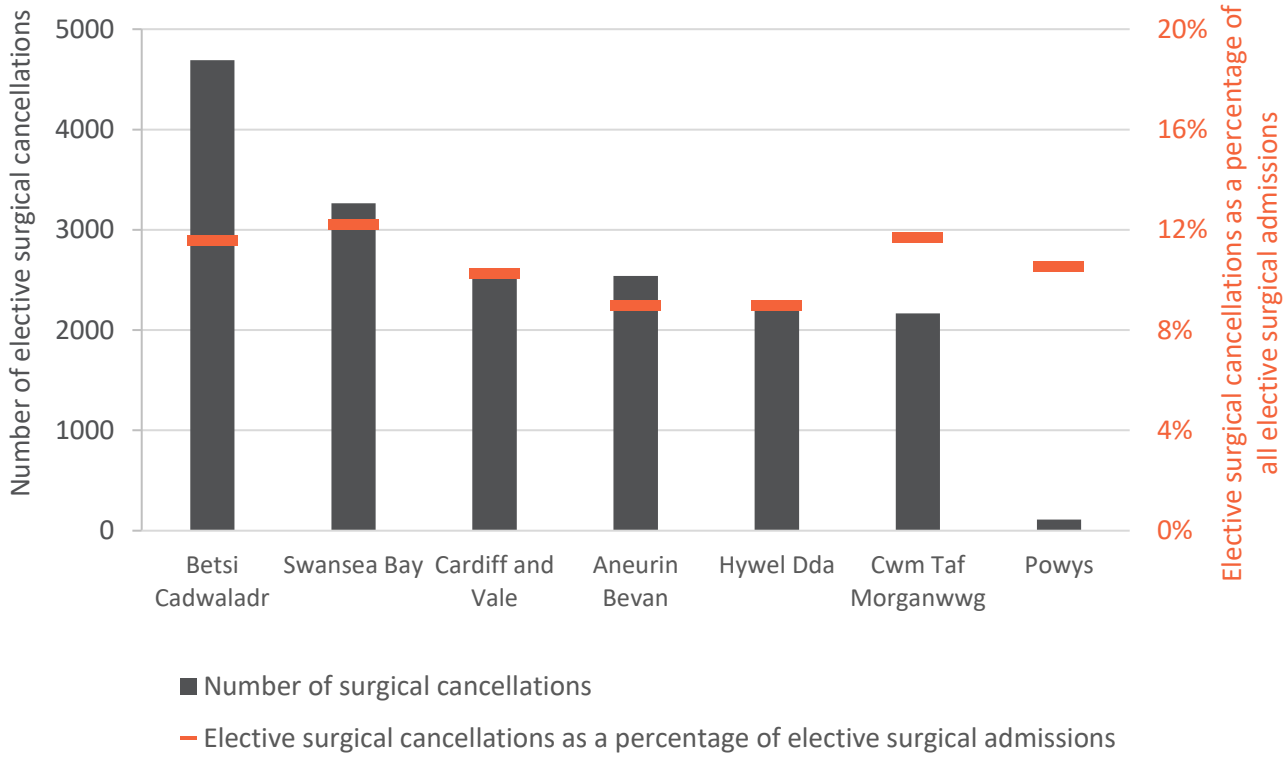


Source: Digital Health and Care Wales secondary care dashboard and datasets

Surgical cancellations

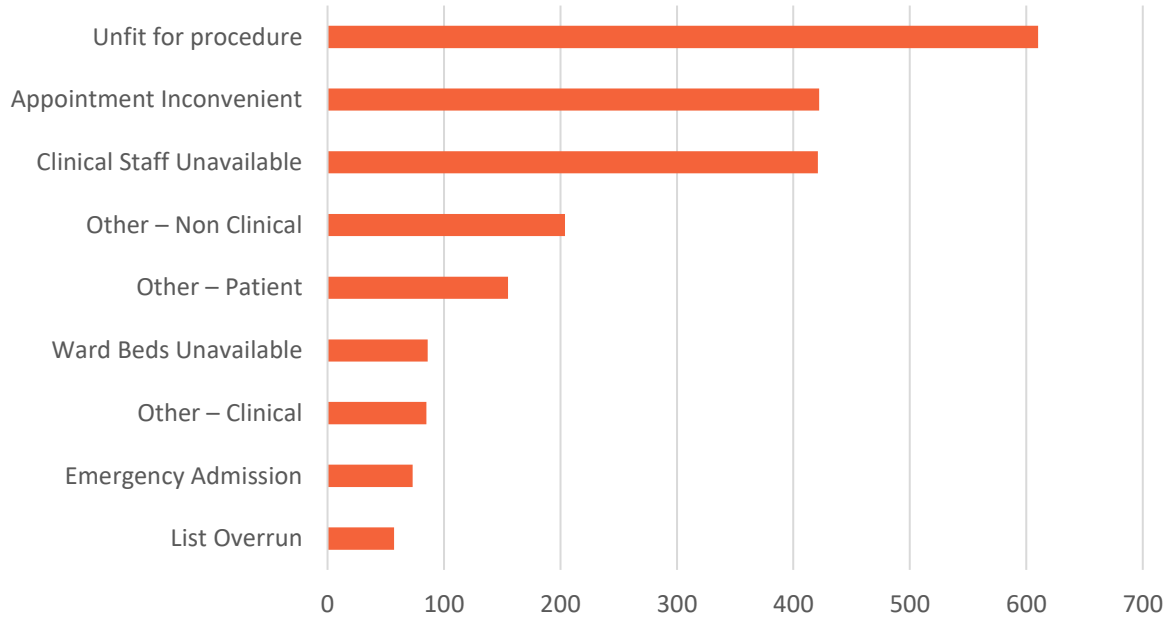
51 Short notice cancellations result in significant inefficiency because operating theatre sessions cannot be easily backfilled with other patients. The total number of surgical cancellations for Hywel Dda University Health Board exceeded 2,000 for the latest 12 month published data although proportionally it has the lowest percentage of surgical cancellations in Wales (March 2024 to February 2025) (**Exhibit 20**). **Exhibit 21** identifies the cancellation reasons.

Exhibit 20: the number of short notice (within 24 hours) surgical cancellations alongside cancellations as a percentage of all elective surgical admissions, March 2024 to February 2025



Source: Health Board submissions to the Welsh Government and Digital Health and Care Wales

Exhibit 21: number of short notice (within 24 hours) surgical cancellations for the latest 12-month reporting period (March 2024 to February 2025), by reason, Hywel Dda University Health Board

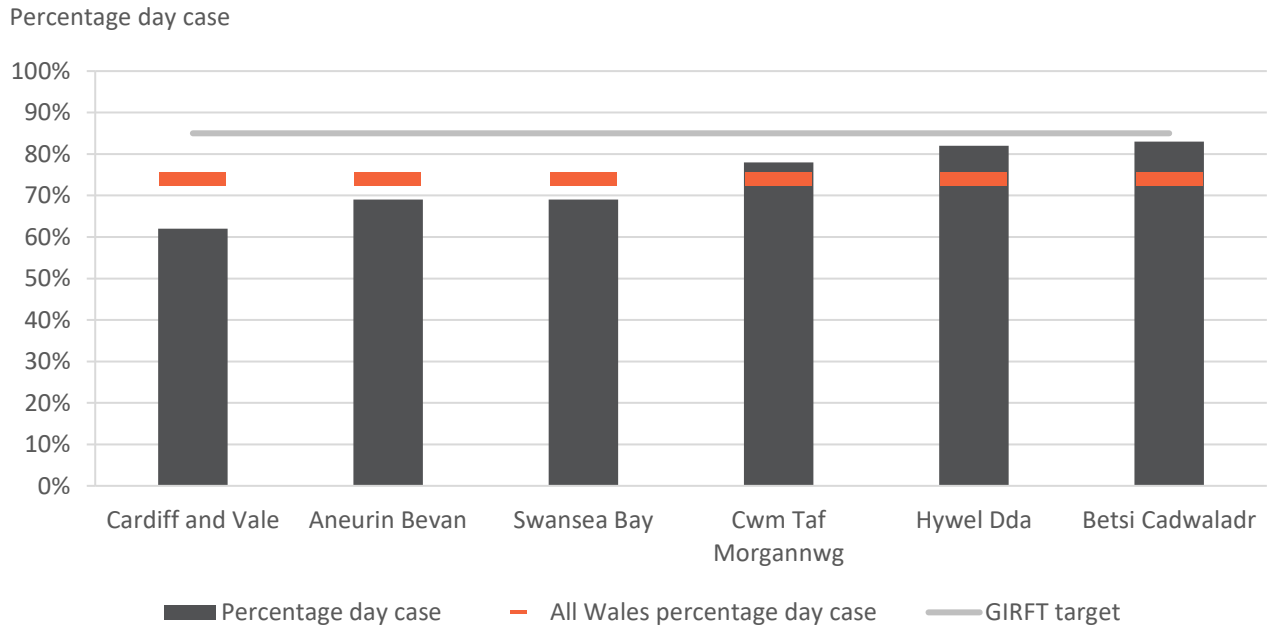


Source: Health Board submissions to the Welsh Government and Digital Health and Care Wales

Day case surgery

52 Day case surgery offers the potential for improved efficiency, lower costs, lower carbon footprint per patient[17] and a better patient experience when compared with inpatient services. Getting It Right First Time recommends that on average 85% of all elective surgery[18] should be day case[19]. Our analysis in **Exhibit 22** indicates that 82% of the Health Board's elective surgery is day case and is the second highest performer in Wales.

Exhibit 22: proportion of elective surgery undertaken by Health Boards as day case, 12-month period ending March 2024



Source: Digital Health and Care Wales secondary care dashboard and datasets

[17] Paper outlines GIRFT's 'unique position' in supporting the NHS drive for net zero carbon emissions - Getting It Right First Time - GIRFT

[18] Elective surgery is the type of surgery associated with a planned care patient pathway.

[19] Getting it Right First Time - Elective Recovery High Volume Low Complexity guidance for health systems

Appendix 4

The management response to audit recommendations

Exhibit 23 below sets out the Health Board's response to our audit recommendations.

Recommendation	Management response	Completion date	Responsible officer
Service planning R1 The Health Board should ensure that updated strategies and plans (A Healthier Mid and West Wales Strategy and the clinical services plan) sufficiently set out a route map to sustainable planned care services. The plan should be costed, with realistic but challenging milestones within it **(Exhibit 2).**	The Clinical Services Plan programme was established to develop a set of plans for the provision of key services over the medium term. Currently in Phase 3 – Public Consultation. Public consultation will enable the Board to make a formal decision on the nine services in scope, which include Dermatology, Ophthalmology, Urology, Endoscopy, Orthopaedics, and Emergency General Surgery within the Planned Care domain, as well as the potential roles of the hospitals until the full implementation of the 'A Healthier Mid and West Wales' strategy. The results of this consultation and subsequent decisions are planned to be made in Winter 2025. It is therefore anticipated that the adoption	Quarter 4 2025/26	Executive Director of Strategy and Planning

Recommendation	Management response	Completion date	Responsible officer
	of significant actions in relation to implementation plans will commence following this gateway to Phase 4 - Implementation. Anticipated completion date for CSP Phase 3 Board decision: Winter 2025 NLT JAN2026 The refresh of the A Healthier Mid and West Wales has just begun, with initial work to scope what elements need to be revised and where additional matters may need to be included. It is envisioned that a refreshed strategy will be informed by the Clinical Services Plan, as well as set out the scope for any future service transformation that may be required for the future, as the strategy will be refreshed to consider up to 2040 (the existing strategy considered up to 2038). The expectation is that the Discovery phase of the strategy refresh will be concluded by January 2026, with the intention to inform the 1st year of the 3-year plan for 2026/2027, as well as initiate the development of strategic delivery plans (where not already in place) to shape planning processes.		
Programme support for service transformation R2 The Health Board should build the required programme capacity and	The Clinical Care Group is transitioning into an optimisation strategy which supports the pillars of transformation which include Outpatients and Ambulatory Care, Theatres & Patient Safety, Cancer & Medical Staff Stabilisation.	Quarter 1 2025	Service Director for Planned and Specialist Care

Recommendation	Management response	Completion date	Responsible officer
capability to support planned care specialties transformation **(Exhibit 3).**	The Clinical Care Group have a dedicated and newly appointed Programme Lead for Planned Care Out-Patient & Ambulatory Transformation. The Care Group are working with the Director of Strategy and Planning to develop a Head of Planning and Programmes to oversee essential work plans and future planning. This post will also develop and oversee operational delivery plans and analytical capability development.	Quarter 1 2025 Quarter 2 2025	
Planned care risk R3 The Health Board should develop an operational planned care risk register ensuring all risks that impede improvement and transformation have a clear owner and ensure sufficient detail on mitigating actions is provided **(Exhibit 3).**	All planned care risks that impede improvement and transformation are logged onto HDUHB's risk register. Each risk will detail the owner and mitigating actions. The Health Board's Corporate Risk Register has logged the Planned Care delivery risk. This is regularly reviewed and scrutinised at Executive and Board sub-committee levels throughout the year. Each risk will detail tolerable score, and actions required to mitigate. Further improvement will form part of the New Clinical Care Group Transformation work stream.	Quarter 2 2025	Service Director for Planned and Specialist Care
Monitoring impact of additional funding	HDUHB were recently audited by the Internal Audit team on Elective Waiting List Management. The findings ascertained substantial	Quarter 1 2025	Director of Operational Planning and

Recommendation	Management response	Completion date	Responsible officer
R4 The Heath Board should strengthen its reporting on the use and impact of the additional Welsh Government planned care funding **(Paragraph 23).**	assurance that robust governance arrangements are in place to monitor and report waiting list performance through to Welsh Government. As an example, the Health Board was allocated approximately £6m in funding for additional activity above core activity to address the 104+ week cohort figures by the end of March 2024. The NHS Delivery Unit (DU) was tasked with monitoring progress of additional activity on a weekly basis. However, to compensate for the information required by the DU (which is not recorded in WPAS) the T&O Team developed a 'live' demand & capacity tracker to capture this data. A review of the weekly figures for January 2024 submitted to the DU reconciled to source data (noting minor variances due to timing differences). On a weekly basis the Health Board report the impact of the additional Welsh Government planned care funding by submitting weekly Delivery Unit returns detailing core and additional activity. Over 95% of the recovery allocation was applied and the factors that influenced slippage were outside the control of the Health Board. The Health Board reduced 104-week RTT breaches and 52-week OPD breaches down to Zero by the end of March 2025. The utilisation of recovery monies has been reported at Board Sub-	Quarter 1 2025 Quarter 1 2025	Strategy (Budget holder for recovery funds).

Recommendation	Management response	Completion date	Responsible officer
	Committee and WG IQPD reviews in relation to volumes delivered and corresponding progress impact in reducing waiting times.		
Getting it right first-time reports R5 The Health Board should ensure timely completion of recommendations arising from the Getting It Right First-Time reports (Exhibit 6).	GIRFT recommendations are put onto the AMAT system (Audit Management & Tracking) where recommendations, timescales and completion dates are tracked to ensure timely completion. AMAT progress is scrutinised via the HB performance management arrangements and escalation process, with assurance on progress provided via the Board governance process. Overdue actions are scrutinised by ARAC • Urology GIRFT - there are currently 0 overdue recommendations, 6 on track, 16 complete, 4 partially complete and 3 'external' (outside the gift of the HB currently). • General Surgery GIRFT - there are currently 0 overdue & 21 complete. • Ophthalmology GIRFT – 16 actions are linked to CSP, additional funding or regionalisation, 4 are on track and 39 complete	Quarter 4 2025/26	Service Director for Planned and Specialist Care
Managing clinical risks associated with long waits R6 The Health Board should strengthen its monitoring and reporting processes for	Patients on a waiting list are referred as urgent or routine. The proportion of patients triaged as urgent has increased post pandemic due to longer waits. Once RTT times have improved to pre-pandemic	Quarter 2 2025	Associate Medical Director

Recommendation	Management response	Completion date	Responsible officer
managing clinical risks associated with long waits. • 6.1 develop and implement a consistent methodology for assessing the risk of harm to patients caused by long waits across specialties (Exhibit 7). • 6.2 develop a routine report to be presented at the Quality, Safety and Experience Committee that effectively reports risks and actual incidents of harm resulting from delays in access to treatment (Exhibit 7).	levels the urgent referral proportion will likely reduce as patients are less likely to come to harm waiting 36 weeks compared to 2 years. Patients referred are graded as routine or urgent upon Triage. Patients requiring urgent treatment, not able to wait are seen sooner within urgent capacity. This is separate to Cancer or routine capacity. This is monitored by the Clinical Care Group Governance structure The planned care directorate (General Manager Lisa Humphrey with CD and Head of Nursing) will develop a routine report to be presented at the QSEC that includes risk and actual incidents of harm resulting from delays in access to treatment.	Quarter 2 2025 Quarter 2 2025	Service Director of Planned and Specialist Care/Assistant Director of Nursing/Associate Medical Director GM Planned Care and Specialist/ Head of Nursing and CD Planned Care Specialist Services TBC

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We welcome correspondence and telephone calls in Welsh and English. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.

3.4 **10:30, 15 Mins**

3.4 - Review of Capital Investment Prioritisation

Anne Beegan, Urvisha Perez, Lee Davies (Hywel Dda UHB - Executive Director of Strategy and Planning), Paul Williams (Hywel Dda UHB - Assistant Director Of Strategic Planning), Eldeg Rosser (Head of Capital Planning)

For assurance

Attachments

3.4 Review of Capital Investment Prioritisation.pdf

Archwilio Cymru
Audit Wales

Review of Capital Investment Prioritisation – Hywel Dda University Health Board

Date issued: May 2025

Document reference: 4874A2025

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We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

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Summary report

Audit snapshot

What we looked at

1 We looked at how Hywel Dda University Health Board (the Health Board) prioritises its capital spending and investment to allow it to deliver its strategic objectives. Specifically, we looked at capital assets which include land and property estate, and high-cost clinical and digital equipment. We did not assess any individual capital investment decisions. More information about our audit criteria and methods are set out in **Appendix 1 and 2.**

Why is this important

2 NHS capital investment[1] is essential to keep services running efficiently and ensure buildings and equipment are safe for patients and staff. Assets depreciate, so not investing in or maintaining them in a timely manner will likely cost more in the future. However, capital monies at an all-Wales level are limited. Annual financial resources do not match the demand for capital monies and are largely absorbed by pre-existing capital projects which run over several years.

3 Within this resource constrained context, health bodies, including the Health Board, are having to manage multiple pressures such as escalating demand, delivering service transformation, equipment resilience, digital capacity and managing an escalating maintenance backlog. This means keeping infrastructure safe to continue delivering safe services without compromising quality is a risk.

4 The financial context for the Health Board also continues to be challenging. Since 2022, under Welsh Government's escalation and intervention framework the Health Board has been under targeted intervention[2] for finance, strategy and planning. The financial challenges are compounded by significant challenges related to the Health Board's existing infrastructure and available resources.

[1] Capital expenditure relates to investments in assets such as buildings and infrastructure. It can include building or buying assets such as medical equipment but also maintaining and improving them.

[2] Under the Joint Escalation and Intervention Arrangements, Welsh Government officials meet Audit Wales and Healthcare Inspectorate Wales at least twice a year to discuss the performance of each health body. There are five escalation levels: routine arrangements, area of concern, enhanced monitoring, targeted intervention, and special measures. In March 2025, the Welsh Government confirmed that the Health Board would remain in targeted intervention for finance, strategy and planning, performance and outcomes and fragile services.

What we concluded

5 **Overall, we found that the Health Board has an effective and improving approach to capital prioritisation and there are good oversight arrangements for its Board approved capital investment plan. However, the feasibility of the plan is uncertain due to the extent of the backlog costs and limited capital funding.**

- The Health Board has a well-developed Infrastructure Investment Plan, aligned to its strategic objectives. While the plan is costed for the short and longer term, capital resources are limited and do not meet the demand for the substantial backlog costs.
- The Health Board has necessary staffing resources to support its current capital plans but recognise that resourcing may become an issue if more major projects are approved.
- The Health Board has a clear and improving approach to identifying and prioritising its capital investments, with procedures clearly documented.
- The Health Board has robust governance and oversight processes to support its capital decision making and an established approach to learning lessons from capital projects.

What we recommended

6 We have made one recommendation for improvement. This relates to services and clinical care groups ensuring that all medical equipment is accurately recorded in the medical equipment inventory to avoid information gaps.

Key facts and figures[3]

£42.7m	Health Board's capital resource limit for 2024–25
36.9%	Increase in discretionary capital allocation from £7.3 million in 2023-24 to £10 million in 2025-26
£255.5m	Estates backlog at April 2025
£15 – £18m	Digital backlog at April 2025
£26.2m	Medical device replacement backlog at April 2025

[3] Figures as reported in the Capital Programme for 2024-25, 2025-26 and Capital Governance Update Report received by the Strategy and Planning Committee in April 2025.

Detailed report

Capital investment planning

7 We considered whether the Health Board has a clearly defined strategic approach which supports the delivery of its prioritised capital programme. We were specifically looking at whether it has:

- a well-developed capital investment plan to manage investment in its estate and high-value equipment; and
- necessary staffing resources to support development and delivery of its capital investment plan.

8 We found that **the Health Board has a well-developed Infrastructure Investment Plan, aligned to its strategic objectives. While the plan is costed for the short and longer term, capital resources are limited and do not meet the demand for the Health Board's substantial backlog costs. The Health Board has sufficient resources to manage its current capital plans but recognises that resourcing may become an issue if more major projects are approved**.

9 The Health Board has a well-developed Infrastructure Investment Plan (the Plan), which outlines its short-, medium- and long-term capital investment priorities. The 2024-27 Plan, ratified by the Board in March 2024, includes investment projects for estates, digital and equipment. The Plan appropriately reflects the ambitions set out in the Health Board's long-term strategy, A Healthier Mid and West Wales[4], and is reviewed annually to ensure proposed capital investment supports delivery of the Health Board's Annual Plan. The 2024-27 Infrastructure Investment Plan primarily supports delivery of the annual planning objective[5] related to the estates plan, but also supports delivery of the digital strategic plan, clinical services plan, and population health initiatives.

10 The Plan's development is informed by comprehensive information, such as reports on asset conditions, risk registers, internal surveys, and backlog data. This ensures the Health Board has good information to help assess capital investment requirements and needs. Furthermore, the Health Board maintains a fixed asset register for all assets purchased through capital funds[6]. The Health Board's up-to-date capital investment procedure clearly states that each directorate or department should maintain an up-to-date asset register and sets out how to add assets to the fixed asset register. The clinical engineering team at the Health Board also maintains an inventory of medical equipment for maintenance purposes. However, the Health Board reported that at times services may purchase equipment, for example if it receives additional funding, which is not always reflected in the medical equipment inventory. It is important that all

[4] The Health Board is reviewing its long-term strategy during 2025.

[5] Planning objectives 6, 8, 9 and 10 which relate to the clinical service plan, estates plan, digital strategic plan and population health respectively.

[6] Only assets with a purchase price of £5,000 or more will be classified as capital and recorded in the fixed asset register.

equipment is maintained for statutory and safety reasons as well as for business continuity (**Recommendation 1**).

11 The Health Board's up-to-date capital investment procedure clearly states that each directorate or department should maintain an up-to-date asset register and sets out how to add assets to the fixed asset register. However, the Health Board reported that at times services may purchase equipment, for example if it receives additional funding, which is not always reflected in the medical and non-medical asset register, managed by the clinical engineering team. It is important that all equipment is maintained for safety and the Health Board understands the totality of its assets. The Health Board should ensure all clinical care groups are aware of the procedure for purchasing medical and non-medical equipment, ensuring they engage with the clinical engineering team, so the medical and non-medical asset register is kept up to date to prevent information gaps (**Recommendation 1**).

12 To make effective use of resources, where possible, the Health Board works with regional partners. For example, the Health Board is a key partner of the West Wales Regional Partnership Board, and plays a role in supporting the West Wales 10-year Capital Strategy. Schemes include establishing community hubs, and extra care and supported housing within the region. It also has close working relationships with other health boards, for example work to develop a regional pathology service with Swansea Bay University Health Board. The Health Board reported that when making capital decisions, they consider the impact on partners when working on a regional footing.

13 While the Health Board has a well-developed Infrastructure Investment Plan, capital resource allocations do not meet demand. The Health Board has an estimated total backlog of nearly £300 million[7], but its 2024-25 capital resource limit was £42.7 million. The limited capital funding is a significant constraint to addressing backlog costs. Although the Infrastructure Investment Plan covers short- and longer-term plans, capital funding is allocated annually. In the short-term, the Health Board manages this challenge by having a clear process for prioritising its capital resource allocation (**see paragraph 16**).

14 However, long-term funding for capital projects remains uncertain. In 2022, the Health Board submitted a programme business case to Welsh Government, which support proposals to build a new urgent and planned care hospital in line with its long-term strategy, but a decision remains pending. The Health Board has developed a comprehensive 10-year plan (**see paragraph 22**) outlining the capital expenditure profile for major programmes. It aims to provide a clear roadmap for capital investments, aligning with the Health Board's strategic objectives and ensuring that resources are allocated efficiently and effectively.

15 Roles and responsibilities for developing and delivering the Infrastructure Investment Plan are clear and well understood. The Executive Director of Strategy and Planning is supported by a capital planning team who are responsible for developing the Infrastructure Investment Plan. The team is also responsible for

[7] Estimated total backlog incudes estates, digital and medical devices replacement.

supporting delivery of the Plan, for example by providing project management and business case development support. The Health Board reported that the capital planning team currently has sufficient capacity but recognises that resourcing may become an issue if more major projects are approved. Other teams, such as those responsible for estates, digital and equipment play a part in identifying, prioritising, and costing schemes that are included in the Infrastructure Investment Plan. The finance team provides oversight to ensure costings are robust and accurate, ensuring that the financial projections are realistic over the long term.

Capital prioritisation process

16 We considered whether the Health Board's approach to identifying, and prioritising capital investment is clearly defined and understood. We were looking specifically at whether the Health Board has:

- a clear process for identifying potential capital schemes;
- a clear approach to prioritising capital investment, with clear criteria to support prioritisation decisions;
- a capital prioritisation approach which is sufficiently agile to respond to unforeseen in-year issues; and
- clear rules around business case requirements for capital projects.

17 We found that **the Health Board has a clear and improving approach to identifying and prioritising its capital investments, with procedures clearly documented.**

18 The capital resource limit, which is the amount the Health Board has to invest in capital, is made up of two main elements: discretionary capital and the All-Wales Capital Programme. Other funding for capital may also be available, for example through the Health and Social Care Regional Integration Fund overseen by the Regional Partnership Board. Given the limited availability of capital funds, it is important that the Board has clear processes for identifying and prioritising its capital resources.

19 Discretionary capital is allocated annually, specifically to meet statutory obligations such as health and safety and fire code requirements, estates maintenance, and timely replacement for equipment. The discretionary planning cycle is aligned to the Health Board's cycle for developing its annual plan/three-year Integrated Medium-Term Plan (IMTP). The Health Board's process of prioritising its discretionary capital is clearly articulated in its capital investment procedure. It uses a series of exercises to prioritise schemes to potentially include in its discretionary capital programme. Capital schemes are initially identified and prioritised within individual services, before submitting bids to the Capital Planning Group. Before the Capital Planning Group consider the bids, they are prioritised by the teams responsible for estates, digital and equipment.

20 To aid the final prioritisation exercise, the Health Board has developed a prioritisation matrix. The matrix considers three key criteria and weighting:

- whether not investing would be detrimental to business continuity (25%);
- risk safety for patients, staff or public (50%); and
- impact and reputation (25%).

21 While the Health Board reported that the prioritisation matrix is still evolving, the criteria is well aligned to the purpose of discretionary funding. Currently, the process is not used to fully distribute all of the funds, as the first 10% is top sliced for backlog maintenance. The remainder is proportioned between estates for statutory works, digital and for equipment. The Health Board reported that it is working towards a system that allows equal weighting between bids for estates, digital and equipment, but given the level of backlog maintenance costs this is not yet possible.

22 Despite the Health Board's effort to develop a process to prioritise capital schemes funded by discretionary capital, the available capital is limited. In 2024-25, 40% of the discretionary capital allocation was reserved for already committed projects, and 20% was reserved as contingency, meaning only £2.9 million remained for new projects. This means that there is little leeway if there are unforeseen issues in-year. While the Health Board has learnt lessons from previous years and increased its contingency reserves from 10% to 20% in 2024-25, it still needs to use alternative approaches to mitigate risks. For example, the Health Board had to close wards and make changes to service delivery when it discovered reinforced autoclaved aerated concrete at Withybush Hospital. It also tries to mitigate risk by seeking regional support, finding alternative funding, and making better use of technology where possible. The Heath Board may also approach Welsh Government to help support emerging challenges.

23 The All-Wales Capital Programme is allocated by Welsh Government based on business cases submitted by health bodies. These are generally for larger investments. In November 2023, Welsh Government introduced a new prioritisation process, with the purpose of having a consistent framework to make investment decisions. As part of this process Welsh Government asked all health bodies to complete a prioritisation exercise, to help identify schemes needing support from the All-Wales Capital Programme over the next 10-years. Using six weighted investment criteria[8] set by Welsh Government, the Health Board held two internal workshops to form a shortlist of 26 prioritised schemes. These are listed in its 2024-27 Infrastructure Investment Plan. On completing the mandated prioritisation exercise, the Health Board submitted forms, with the rank of each project, to Welsh Government for consideration. The Health Board reported that where bids to the All-Wales Capital Programme are not approved or deemed not affordable, they hold discussions with Welsh Government to discuss alternative options. This is the

[8] Fit with Priorities & Policy (25%), Clinical impact (20%), Value for money (16%), Statutory Compliance and Risk (13%), Equity & Community (13%) and Wider Benefits and Climate Change (13%).

case for the regional pathology service the Health Board is developing with Swansea Bay University Health Board.

24 The Health Board reported that they are compliant with the mandatory requirement to submit a form of business case for capital schemes for the All-Wales Capital Programme and all other scenarios when required. Capital projects and programmes will follow an iterative business case process using the Better Business case approach, ensuring best practices for planning, and making effective funding decisions. Business cases are presented at relevant groups or committees for scrutiny and approval.

Governance and oversight

25 We considered whether the Health Board has effective arrangements for the scrutiny, reporting and monitoring of its capital decision making. We were specifically looking at whether the Health Board:

- effectively, scrutinises, monitors, and report on its prioritised capital decisions; and
- uses learning to improve the prioritisation of capital investment.

26 We found that **the Health Board has robust governance and oversight processes to support its capital decision making and an established approach to learning lessons from capital projects.**

27 The Health Board has clear governance arrangements to oversee, scrutinise and approve capital funding decisions. At a Board level, the Strategy and Planning Committee[9] is responsible for overseeing and receiving assurance on the delivery of the capital programmes and projects. This includes reviewing all capital business cases, scrutinising plans for use of the capital resource limit and discretionary capital programme prior to Board approval. The Capital Sub-Committee supports the committee and is chaired by the Executive Director of Strategy and Planning. It oversees planning and delivery of the all-Wales capital and discretionary capital programmes. The Head of Capital Planning chairs the Capital Planning Group, which reports to the sub-committee and is specifically responsible for developing and overseeing delivery of the prioritised discretionary capital programme.

28 At all governance levels, there is routine reporting on capital planning and delivery, which facilitates effective monitoring, oversight, and enables management of risks. At each meeting, the Strategy and Planning Committee receives a comprehensive Capital Programme and Capital Governance Update Report which includes an update on the capital resource limit, and project updates including any schemes at risk and mitigating actions. The committee also receives business cases to

[9] The Strategy and Delivery Committee was established in April 2025, prior to which the Strategic Development and Operational Delivery Committee was responsible for scrutinising capital investment and planning.

approve or endorse for Board approval as needed. On an annual basis it scrutinises the revised Infrastructure Investment Plan. The committee also routinely receives updates from the Capital Sub-Committee, which receives a comprehensive suite of assurance reports and dashboards to help monitor capital spend. These include an update on the capital resource limit, capital financial management and capital programme, and a highlight report on the status of capital projects included in the Annual Plan. The highlight report provides a summary of key milestones, progress update on capital projects, including key risks and matters for the sub-committee's attention. Other reports include updates on the dashboard submitted to Welsh Government on schemes funded through the All-Wales Capital Scheme and regional capital programme updates.

29 The Health Board has good processes to capture key learning and benefit realisation from capital projects. Project closure reports are produced for each scheme, which cover post project evaluation and lessons learnt, whether business case objectives and benefits have been met and project performance such as time, scope, and cost. The document also captures audit recommendations and highlights any project risks which need to be transferred to operational teams. Where there have been particular delivery issues, the Health Board also conducts separate lesson learnt exercises in addition to the project closure report. At times, these exercises are requested by Welsh Government. This was the case for the Prince Philip Hospital Day Surgery Unit, where the Health Board purchased a modular solution to facilitate the return of elective surgery after the COVID-19 pandemic. The Health Board fully embraced this opportunity and added value to the report by hosting a lesson learnt workshop to capture the perspective of all key stakeholders. A similar exercise was also conducted for the capital works to improve the Women and Children's Unit at Glangwili Hospital. The Health Board reported that the capital planning team keeps a lesson learnt log which feeds into future capital planning and delivery.

Recommendations

30 We have set out a recommendation arising from this audit in **Exhibit 1**. The Health Board's response to our recommendation is summarised in **Appendix 3**.

Exhibit 1: recommendations

Recommendation
Improve Asset Management System R1 The Health Board should ensure all clinical care groups are aware of the procedure for purchasing medical and non-medical equipment and ensuring

Recommendation

that when appropriate they engage with the clinical engineering team, so the medical equipment inventory is kept up to date to prevent information gaps (**see paragraph 10**)

Appendix 1

Audit criteria

Exhibit 2 sets out the audit criteria that we used to deliver the work.

Exhibit 2: audit criteria

Audit questions	Audit criteria
Are the Health Board's arrangements for prioritising its capital investments, strengthening its ability to deliver its strategic objectives over the short, medium, and longer-term?	
Does the Health Board have a clearly defined strategic approach which supports the delivery of its prioritised capital programme?	
Does the Health Board have a well-developed, and adequately resourced, capital investment plan to manage investment in its estate and high-value equipment?	• The Health Board has an up-to-date and approved capital investment plan, which covers estates and high value equipment. • The capital investment plan is funded over the short, medium, and long term. • The capital investment plan is based on a clear understanding of estate and equipment condition, need, demand and technological innovation over the short, medium, and longer term. • The capital investment plan is aligned to key corporate strategies and plans, strategically focused, forward looking and supports service transformation and developed through appropriate stakeholder and citizen engagement. • The Health Board has considered regional working / co-production with other NHS bodies when developing its capital investment plan.
Does the Health Board have the necessary arrangements in	• The plan is supported by robust asset management plans, providing a framework for delivering the capital programme.

Audit questions	Audit criteria
place to support the delivery of the capital investment plan?	• Roles and responsibilities related to developing, delivering, and scrutinising the capital investment plan are clear and well understood. • The Health Board has the capacity and capability to develop and deliver its capital investment plan and where there are gaps there are well developed plans to address these.
Is the Health Board's approach to identifying and prioritisation capital investment clearly defined and understood?	• There is a clear process for identifying potential capital schemes within the organisation, which is consistent across the organisation. • There is a clear approach to prioritising capital investment (discretionary funds and investment bids), with clear criteria to support prioritisation decisions. • In making decisions about capital investment the organisation considers the impact on partner organisations and of investment or disinvestment in individual programmes and projects. • The capital prioritisation approach is sufficiently agile to respond to unforeseen in-year issues. • There are clear rules around business case requirements based on the value of proposed capital schemes.
Does the Health Board have effective arrangements for the scrutiny, reporting and monitoring of its capital decision making?	
Does the Health Board effectively, scrutinise, monitor, and report on its prioritised capital decisions?	• There are clear governance arrangements for oversight, scrutiny, and approval of capital funding, including at Executive Team and Board level. • There is robust routine reporting on capital decisions that facilitates effective monitoring, oversight and enables management to take early corrective actions. • There is robust evidence that underpins all capital decisions and facilitates effective scrutiny. • Success for capital decisions is determined by key performance metrics.

Audit questions	Audit criteria
Does the Health Board use learning to improve the prioritisation of its capital investments?	• The Health Board responds proactively to recommendations from external regulators on its capital programme and the management of its assets. • The Health Board proactively uses external learning and best practice to help improve its approach to capital planning and management. • There are clear Health Board wide arrangements to sharing learning from capital programmes and processes. • The Health Board monitors and learns from past performance.

Appendix 2

Audit methods

Exhibit 3 sets out the methods we used to deliver this work. Our evidence is based on the information drawn from the methods below.

Exhibit 3: audit methods

Element of audit methods	Description
Documents	We reviewed a range of documents, including: • Infrastructure Investment Plan • Documents detailing the capital prioritisation process, including internal business case templates • Papers on the capital prioritisation work undertaken by the Health Board in response to Welsh Government's updated prioritisation programme • Documents detailing the governance arrangements related to capital planning. • Capital submission to Welsh Government using the new prioritisation approach (March 2024) and any Welsh Government feedback • Terms of Reference for the Capital Sub-Committee and other relevant capital planning groups • Minutes and action plans from the Capital Planning Group • Board and committee papers on Capital (Including Capital Sub-committee) – which includes the Capital Resource Limit and the Capital Financial Management/ Discretionary Capital Programme for 2023-24 and 2024-25
Interviews	We interviewed the following: • Executive Director of Strategy and Planning • Executive Director of Finance • Director of Estates, Facilities and Capital Management • Digital Director • Assistant Director of Strategic Planning • Deputy Director of Operations • Head of Capital Planning • Senior Finance Business Partner • Head of Property Performance

Element of audit methods	Description
	• Independent Member on the Capital Sub-Committee • Chair of the Strategic Development and Operational Delivery Committee • Regional Lead for Capital
Observations	• Strategic Development and Operational Delivery Committee • Capital Sub-Committee

Appendix 3

Management Response

Exhibit 4 below sets out the Health Board's response to our recommendations.

Recommendation	Management response	Completion date	Responsible officer
R1 The Health Board should ensure all clinical care groups are aware of the procedure for purchasing medical and non-medical equipment and ensuring that when appropriate they engage with the clinical engineering team, so the medical equipment inventory is kept up to date to prevent information gaps (**see paragraph 10**).	The UHB will ensure that Senior Leadership at the Clinical Care Groups are all made aware of the procedure for purchasing medical and non-medical equipment and the need to engage with the clinical engineering team where appropriate. This will be done via a presentation to Senior Operations Leadership Team and circulation of this and the procedure to the Senior Leadership of the Clinical Care Groups.	November 2025	Gareth Rees Sarah Welsby Eldeg Rosser

Audit Wales

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Website: www.audit.wales

We welcome correspondence and telephone calls in Welsh and English.
Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.

3.5

10:45, 5 Mins

3.5 - Cost Savings Arrangements Checklist

Anne Beegan, Urvisha Perez

For discussion

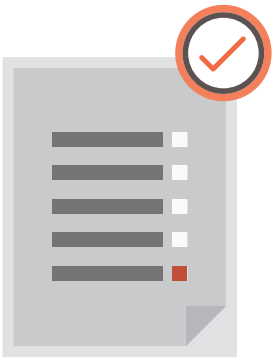
Attachments

3.5 Cost Saving Arrangements Checklist.pdf

Archwilio Cymru
Audit Wales

Cost Savings Arrangements

A checklist for NHS Board Members



This checklist sets out some of the key questions NHS Board Members should be asking to obtain assurance that their organisation has effective arrangements in place to support the identification, delivery, and monitoring of sustainable cost savings.

What are the factors driving the organisation's costs?

Board Members should seek to obtain a clear overview of the full range of pay and non-pay factors driving costs in order to understand the scale of the financial challenges and opportunities facing the organisation.

Board Members should use this information to inform discussions on cost savings targets to achieve financial sustainability in the short-, medium-, and long-term.

Is the organisation selecting the right cost savings opportunities in the right way?

Board Members should seek assurance that the organisation has an appropriate and effective approach to identifying and selecting cost savings opportunities in the most appropriate and effective way.

Board Members should ask whether the organisation has identified and selected cost savings opportunities that:

- are appropriately informed by relevant data and intelligence, including benchmarking data and the views of staff, service-users, and other stakeholders, and are responsive to national / pan-Wales opportunities and priorities;
- are realistic and achievable;
- balance one-off non recurrent savings with more sustainable saving opportunities;
- focus on the medium- to longer-term, as well as the short-term; and
- have been scaled appropriately across all parts of the organisation (rather than a standard percentage applied across all parts).

Board Members should also seek assurances that the organisation has appropriately assessed the impact of its cost savings opportunities on:

(a) the organisation's strategic aims and objectives;
(b) the quality and safety of services; and
(c) performance targets and measures.

Is the organisation managing the delivery of its cost savings opportunities well?

Board Members should seek assurance that the organisation has effective arrangements in place for delivering its approved cost savings opportunities.

Board Members should ask whether there are clear delivery plans in place that set out:

- the level of financial savings that will be delivered and how they will be measured;
- the anticipated impact on organisational aims and objectives, the quality and safety of services, and performance measures and targets;
- the key delivery milestones;
- the key risks, controls, and mitigating actions; and
- the senior officer(s) responsible and accountability for delivery.

In addition, Board Members should seek assurance that the organisation:

- has effective arrangements in place for managing cross-cutting savings plans;
- is appropriately communicating its cost savings plans to staff, service-users, and other stakeholders; and
- has the necessary skills and capacity to deliver its agreed cost savings opportunities (or is taking appropriate action to secure the skills and capacity required).

Is the organisation monitoring, tracking, and reporting delivery of cost savings plans effectively?

Board Members should seek assurance that the organisation has an effective approach to overseeing delivery of its agreed cost savings plans.

Board Members should ask whether there are effective operational arrangements in place for:

- monitoring delivery which reflects the timescales and risks associated with achieving plans and the overall cost savings target;
- identifying, managing, and mitigating delivery risks;
- taking action where cost savings actions are off-track, or are having an adverse impact on strategy, quality and safety, and / or performance; and
- evaluating and improving cost savings arrangements.

In order to maintain effective oversight, Board Members should ensure they receive appropriately tailored finance reports which accurately reflect the organisation's progress in delivering its agreed cost savings.

4

10:50, 10 Mins

4 - BREAK

5

11:00, 0 Mins

5 - NWSSP – Audit and Assurance Services - Internal Audit

5.1

11:00, 5 Mins

5.1 - Internal Audit Plan Progress Report

James Johns (NWSSP - Internal Audit)

For assurance

Attachments

5.1 SBAR IA Plan Progress Report June 2025.pdf

5.1 IA Plan Progress Report June 2025.pdf

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

PWYLLGOR ARCHWILIO A SICRWYDD RISG
AUDIT AND RISK ASSURANCE COMMITTEE

DYDDIAD Y CYFARFOD: **DATE OF MEETING:**	24 June 2025
TEITL YR ADRODDIAD: **TITLE OF REPORT:**	Audit & Assurance Services Progress Report
CYFARWYDDWR ARWEINIOL: **LEAD DIRECTOR:**	Head of Internal Audit
SWYDDOG ADRODD: **REPORTING OFFICER:**	Head of Internal Audit

Pwrpas yr Adroddiad (dewiswch fel yn addas) **Purpose of the Report** (select as appropriate)
Er Sicrwydd/For Assurance

ADRODDIAD SCAA
SBAR REPORT

Sefyllfa / Situation

The Audit & Assurance Services progress report provides the Audit & Risk Assurance Committee (ARAC) with an update in relation to the delivery of the approved Internal Audit Plan and outcomes from audit work.

Cefndir / Background

The work undertaken by Internal Audit is in accordance with its annual plan, which is prepared following a detailed planning process and subject to Committee approval.

The progress report provides the Committee with information regarding the progress of Internal Audit work in accordance with the agreed plan, amendments to the agreed plan and outcomes of any audits completed since the previous meeting of the committee.

Asesiad / Assessment

The findings and assurance ratings from the Internal Audit Reports provides the Committee with a level of assurance as to the adequacy of the risk, governance and control environment in the areas audited. The report also confirms conclusion of all 24/25 audit work.

Argymhelliad / Recommendation

The Audit & Risk Assurance Committee is asked to take assurance with regard to the delivery of the Internal Audit plan and the outcomes of the finalised audit reports.

Amcanion: (rhaid cwblhau) **Objectives: (must be completed)**	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	3.16 The Committee shall ensure that there is an effective internal audit function established by management that meets mandatory Internal Audit Standards for NHS Wales and provides appropriate independent assurance to the Committee, Chief Executive and Board. 3.17 This will be achieved by: 3.17.1 review and approval of the Internal Audit Strategy, Charter, operational plan and more detailed programme of work, ensuring that this is consistent with the audit needs of the organisation; 3.17.2 review of the adequacy of executive and management responses to issues identified by audit, inspection and other assurance activity, in accordance with the Charter; 3.17.3 Regular consideration of the major findings of internal audit work (and management's response), and ensure co-ordination between the Internal and External Auditors to optimise audit resources; 3.17.4 ensuring that the Internal Audit function is adequately resourced and has appropriate standing within the organisation; and 3.17.5 annual review of the effectiveness of internal audit.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Internal Audit reports cover a range of organisational risks.
Parthau Ansawdd: Domains of Quality Quality and Engagement Act (sharepoint.com)	Not Applicable
Galluogwyr Ansawdd: Enablers of Quality: Quality and Engagement Act (sharepoint.com)	Not Applicable
Amcanion Strategol y BIP: UHB Strategic Objectives:	All Strategic Objectives are applicable
Amcanion Cynllunio Planning Objectives	All Planning Objectives Apply

Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2021-2022	10. Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Internal Audit Plan & Charter. Individual Internal Audit reports. Evidence gathered from the Health Board as part of the delivery of audit assignments. Health Board Risks.
Rhestr Termau: Glossary of Terms:	Contained within the reports.
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Archwilio a Sicrwydd Risg Parties / Committees consulted prior to Audit and Risk Assurance Committee:	Director of Corporate Governance Executive Directors and Senior Managers relevant to the individual audits.

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	n/a
Ansawdd / Gofal Claf: Quality / Patient Care:	n/a
Gweithlu: Workforce:	n/a
Risg: Risk:	n/a
Cyfreithiol: Legal:	n/a

Enw Da: **Reputational:**	n/a
Gyfrinachedd: **Privacy:**	n/a
Cydraddoldeb: **Equality:**	n/a

Hywel Dda University Health Board

Audit & Risk Assurance Committee

June 2025

Audit & Assurance Services
Internal Audit Progress Report

CONTENTS

1. Introduction
2. Outcomes from Finalised Audits
3. Internal Audit Delivery and Planning Update

Appendix A - Assignment Status Schedule

Audit and Assurance Services conform with all Public Sector Internal Audit Standards as validated through the external quality assessment undertaken by the Institute of Internal Auditors

Please note

This report has been prepared for internal use only. Audit & Assurance Services reports are prepared, in accordance with the Service Strategy and Terms of Reference, approved by the Audit & Risk Assurance Committee.

Audit reports are prepared by the staff of the NHS Wales Shared Services Partnership – Audit and Assurance Services, and addressed to Independent Members or officers including those designated as Accountable Officer. They are prepared for the sole use of the Hywel Dda University Health Board and no responsibility is taken by the Audit and Assurance Services Internal Auditors to any director or officer in their individual capacity, or to any third party.

1. Introduction and Background

1.1 This progress report provides the Audit & Risk Assurance Committee (ARAC) with the current position in relation to the delivery of the 2024/25 Internal Audit Plan. The report also includes details of the progress with the delivery of individual audits, outcomes from finalised audits and any updates required to the plan.

2. Outcomes from Finalised Audits

2.1 The Internal Audit Reports finalised since the previous meeting of the Committee are highlighted in the table below along with the allocated assurance ratings, where applicable. The full versions of these reports are included on the agenda as separate items.

ASSIGNMENT	ASSURANCE RATING	
Discharge Management – agreed action follow up	n/a	--
All Wales Advisory - Contract Management	n/a	--
Cleanliness Standards	Limited	
Agreed action tracking and follow up	Reasonable	
Withybush RAAC	Reasonable	
CHC Database Maintenance and Finance Processes	Substantial	

3. Internal Audit Planning and Delivery Update

3.1 The assignment status schedule at Appendix A sets out the current position of all audits in the 24/25 plan. All audit work from the current year plan has been completed for inclusion within the Annual Report and Opinion.

3.2 The Head of Internal Audit Opinion and Annual Report for 24/25 is on the agenda for ARAC providing an overall Reasonable Assurance Opinion.

3.3 Work to progress the delivery of the Internal Audit Plan for 2025/26 has commenced, with audit planning work already underway for a number of the audits in the plan, along with some early fieldwork.

3.5 Regular meetings with the Director of Corporate Governance have continued, along with meetings taking place with Executive Directors and senior managers in relation to individual audits currently being planned and delivered. The UHB Board meeting was recently observed. Ongoing liaison meetings have continued including a recent joint meeting with Audit Wales and Health Inspectorate Wales.

Appendix A – HDUHB Internal Audit Plan 2024/25 – Assignment Status Schedule

Audit Output	Outline timing	Planned ARAC	Executive Lead	Progress Status	Assurance	H	M	L
Executive Team Working Governance	Q2-3	May	CEO/Corporate Governance	FINAL	Substantial		2	
Targeted Intervention Governance	Q1-3	Feb	Chief Executive	FINAL	Reasonable		2	
Annual Planning	Q3	May	Strategy & Planning	FINAL	Reasonable			
Cash Management	Q2/3	Oct	Director of Finance	FINAL	Substantial	-	-	-
Financial Management	Q2/3	Feb	Director of Finance	FINAL	Reasonable	1	4	
ALL Wales Advisory - Contract Management	**Q3/4**	**June**	**Director of Finance**	**FINAL**	**n/a**	**-**	**-**	**-**
Performance Management Arrangements	Q3/4	Feb	Director of Finance	FINAL	Reasonable	-	2	
Speaking up safely	Q3/4	Oct	Nursing, Quality & Patient Experience	FINAL	Reasonable	1	3	
Learning lessons	Q3	Feb	Nursing, Quality & Patient Experience	FINAL	Reasonable	-	4	
Falls Management	Q2	Oct	Nursing, Quality & Patient Experience	FINAL	Reasonable	1	4	
Cleanliness / Cleaning Standards	**Q3/4**	**Apr**	**Chief Operating Officer**	**FINAL**	**Limited**	**2**	**4**	**-**
Discharge Management	Q3/4	Dec	Chief Operating Officer	FINAL	Limited	2	2	-

Management of Bed Capacity	Q2/3	Feb	Chief Operating Officer	FINAL	Limited	4	1	
Medical Workforce (Medical Locums)	Q3	Feb	Medical Director	Defer 25/26				
Nursing Management	Q2	Oct	Nursing, Quality & Patient Experience	FINAL	Limited	3	1	-
Estates Facilities directorate			Chief Operating Officer	Defer 25-26				
Revised Operational Governance Arrangements			Chief Operating Officer	Defer 25-26				
Nurse staffing Act	Q2	Aug	Nursing, Quality & Patient Experience	FINAL	Reasonable		3	
Job Planning	Q4	Apr	Medical Director	FINAL	Reasonable	1	1	
Elective Waiting List Management	Q3/4	Feb	Chief Operating Officer	FINAL	Substantial	-	-	
Mortuary Services (Joint SBUHB)	Q3	Feb	Allied health Professionals & Health Sciences	FINAL	Limited	4	5	
Primary Care Strategy including Managed Practices	Q4	Apr	Primary, Community and Long Term Care	Defer 25/26				
Health & Safety	Q2	Feb	Allied health Professionals & Health Sciences	FINAL	Limited			
Ultrasound Corporate Risk	Q2	Aug-oct	Chief Operating Officer	FINAL	Reasonable	-	2	
Emergency and Business Continuity Planning	Q2	Oct	Director of Public Health	FINAL	Reasonable	1	2	-

Digital Strategic Partner	Q3/4	May	Director of Finance	FINAL	Substantial			
IT/Digital - benefits realisation	Q2/3	Oct	Director of Finance	FINAL	Substantial	-	-	-
IT/Digital – Data Quality/Use of Data	Q2/3	Feb	Director of Finance	FINAL	Limited	3	1	
Withybush General Hospital RAAC.	**Q3/4**	**June**	**Chief Operating Officer**	**FINAL**	**Reasonable**	**-**	**6**	**-**
Estates Assurance – Energy Management	Q3	Feb	Chief Operating Officer	FINAL	Reasonable	-	8	-
Capital Systems	Q2/3	Dec	Chief Operating Officer	FINAL	Reasonable	-	4	-
Discharge Management Agreed Action Follow Up		**June**	**Chief Operating Officer**	**FINAL**	**n/a**	**-**	**-**	**-**
Additional follow up and recommendation tracking.		**June**		**FINAL**	**Reasonable**	**-**	**-**	**-**
Continuing Health Care - Database Maintenance & Finance Processes		**June**	**Finance/COO**	**FINAL**	**Substantial**	**-**	**1**	**-**

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Contact details: james.johns@wales.nhs.uk
Webpage: Audit & Assurance Services - NHS Wales Shared Services Partnership

5.2

11:05, 10 Mins

5.2 - Head of Internal Audit Opinion & Annual Report 2024/25

James Johns (NWSSP - Internal Audit)

For discussion

Attachments

5.2 SBAR ARAC HOIA Opinion June 2025.pdf

5.2 HDUHB HOIA Opinion and Annual Report 2024-25 Final.pdf

5.2 HDUHB 24-25 HOIA Opinion - Development and Rationale Briefing Paper.pdf

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

PWYLLGOR ARCHWILIO A SICRWYDD RISG
AUDIT AND RISK ASSURANCE COMMITTEE

DYDDIAD Y CYFARFOD: **DATE OF MEETING:**	24 June 2025
TEITL YR ADRODDIAD: **TITLE OF REPORT:**	Audit & Assurance Services - Head of Internal Audit Opinion and Annual Report 2024/25
CYFARWYDDWR ARWEINIOL: **LEAD DIRECTOR:**	Head of Internal Audit
SWYDDOG ADRODD: **REPORTING OFFICER:**	Head of Internal Audit

Pwrpas yr Adroddiad (dewiswch fel yn addas) **Purpose of the Report** (select as appropriate)
Er Sicrwydd/For Assurance

ADRODDIAD SCAA
SBAR REPORT

Sefyllfa / Situation

The Head of Internal Audit Opinion and Annual Report for 2024-25 provides an overall opinion on the adequacy and effectiveness of the organisation's framework of governance, risk management and control.

Cefndir / Background

The report sets out the Head of Internal Audit Opinion, a schedule of assurance ratings given through the year together with the summarised results of the internal audit work performed, which support the overall opinion.

The opinion is predominantly based on the number and percentage of assurance ratings, the significance of the areas/findings, and also the broader position regarding overall governance, risk management and control, along with any improvements made to address agreed management actions. We also consider a comparison of outcomes across years, a comparison to others to inform our considerations, the significance of the areas audited and any progress to date including from agreed follow up work. An additional briefing paper is included for information as well as the main document which sets out the rationale and development process behind the annual opinion.

The annual report also includes a summary of audit performance in comparison to the plan and an assessment of conformance with the Public Sector Internal Audit standards.

Asesiad / Assessment

The Head of Internal Opinion and Annual Report for 2024-25 gives a Reasonable Assurance overall opinion on the adequacy and effectiveness of the Health Board's framework of governance, risk management and control.

Argymhelliad / Recommendation

The Audit and Risk Assurance Committee is asked to consider and take assurance from the Head of Internal Audit Opinion and Annual Report 2024/25.

Amcanion: (rhaid cwblhau) Objectives: (must be completed)	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	3.16 The Committee shall ensure that there is an effective internal audit function established by management that meets mandatory Internal Audit Standards for NHS Wales and provides appropriate independent assurance to the Committee, Chief Executive and Board. 3.17 This will be achieved by: 3.17.1 review and approval of the Internal Audit Strategy, Charter, operational plan and more detailed programme of work, ensuring that this is consistent with the audit needs of the organisation; 3.17.2 review of the adequacy of executive and management responses to issues identified by audit, inspection and other assurance activity, in accordance with the Charter; 3.17.3 Regular consideration of the major findings of internal audit work (and management's response), and ensure co-ordination between the Internal and External Auditors to optimise audit resources; 3.17.4 ensuring that the Internal Audit function is adequately resourced and has appropriate standing within the organisation; and 3.17.5 annual review of the effectiveness of internal audit.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Internal Audit reports cover a range of organisational risks.
Parthau Ansawdd: Domains of Quality Quality and Engagement Act (sharepoint.com)	Not Applicable
Galluogwyr Ansawdd: Enablers of Quality: Quality and Engagement Act (sharepoint.com)	Not Applicable
Amcanion Strategol y BIP: UHB Strategic Objectives:	All Strategic Objectives are applicable
Amcanion Cynllunio Planning Objectives	All Planning Objectives Apply

Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2021-2022	10. Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Internal Audit Plan & Charter. Outcomes from individual Internal Audit reports. Outcomes from agreed action tracking and follow up. Evidence gathered from the Health Board as part of the delivery of audit assignments. Health Board Risks.
Rhestr Termau: Glossary of Terms:	Contained within the reports.
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Archwilio a Sicrwydd Risg Parties / Committees consulted prior to Audit and Risk Assurance Committee:	Director of Corporate Governance Audit & Risk Assurance Committee Chair. Executive Directors and Senior Managers relevant to the individual audits.

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	n/a
Ansawdd / Gofal Claf: Quality / Patient Care:	n/a
Gweithlu: Workforce:	n/a
Risg: Risk:	n/a
Cyfreithiol: Legal:	n/a

Enw Da: **Reputational:**	n/a
Gyfrinachedd: **Privacy:**	n/a
Cydraddoldeb: **Equality:**	n/a

Head of Internal Audit Opinion & Annual Report 2024/25

Hywel Dda University Health Board

Reasonable Assurance

Contents

1. **Executive Summary** 1
2. **Head of Internal Audit Opinion** 3
3. **Other work relevant to the Health Board** 12
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6. **Acknowledgement** 20

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Appendix B 23

Report status:	Final
Draft report issued:	May
Final report issued:	June
Author:	James Johns
Audit & Risk Assurance Committee:	June 2025

GIG CYMRU NHS WALES
Partneriaeth Cydwasanaethau
Gwasanaethau Archwilio a Sicrwydd
Shared Services Partnership
Audit and Assurance Services

1. Executive Summary

1.1 Purpose of this Report

Hywel Dda University Health Board (the Board) is accountable for maintaining a sound system of internal control that supports the achievement of the organisation's objectives and is also responsible for putting in place arrangements for gaining assurance about the effectiveness of that overall system. A key element in that flow of assurance is the overall assurance opinion from the Head of Internal Audit.

This report sets out the Head of Internal Audit Opinion together with the summarised results of the internal audit work performed during the year. The report also includes a summary of audit performance and an assessment of conformance with the Public Sector Internal Audit Standards.

1.2 Head of Internal Audit Opinion 2024/25

The purpose of the annual Head of Internal Audit opinion is to contribute to the assurances available to the Chief Executive as Accountable Officer and the Board which underpin the Board's own assessment of the effectiveness of the system of internal control. The approved Internal Audit plan is focused on risk and therefore the Board will need to integrate these results with other sources of assurance when making a rounded assessment of control for the purposes of the Annual Governance Statement. The overall opinion for 2024/25 is:

Reasonable assurance		The Board can take **Reasonable** assurance that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance. Low to moderate impact on residual risk exposure until resolved.

1.3 Delivery of the Audit Plan

The plan has been delivered substantially in accordance with the agreed schedule and changes required during the year, as approved by the Audit Committee (the 'Committee'). In addition, regular audit progress reports have been submitted to the Committee. Although changes have been made to the plan during the year, we can confirm that we have undertaken sufficient audit work during the year to be able to give an overall opinion in line with the requirements of the Public Sector Internal Audit Standards.

The Internal Audit Plan for 2024/25 year, was presented to the Committee in April 2024. Changes to the plan have been made during the year and these changes have been reported to the Audit Committee as part of our regular progress reporting.

There are, as in previous years, audits undertaken at NWSSP, DHCW, and the new NHS Wales Joint Commissioning Committee (JCC) that support the overall opinion for NHS Wales health bodies (see section 3).

Our latest External Quality Assessment (EQA), conducted by the Chartered Institute of Public Finance and Accountancy (CIPFA) in March 2023, reported in April 2023, stated we 'Fully Conform', and our own annual Quality Assurance and Improvement Programme (QAIP) confirmed that our internal audit work continues to 'generally conform' to the requirements of the Public Sector Internal Audit Standards for 2024/25. We can state that our service 'conforms to the IIA's professional standards and to PSIAS.'

1.4 Summary of Audit Assignments

This report summarises the outcomes from our work undertaken in the year. In some cases, audit work from previous years may also be included and where this is the case, details are given. This report also references assurances received through the internal audit of control systems operated by other NHS Wales organisations (again, see section 3).

The audit coverage in the plan agreed with management has been deliberately focused on key strategic and operational risk areas; the outcome of these audit reviews may therefore highlight control weaknesses that impact on the overall assurance opinion.

Overall, we can provide the following assurances to the Board that arrangements to secure governance, risk management and internal control are suitably designed and applied effectively in the substantial and reasonable areas in the table below.

Where we have given Limited or Unsatisfactory Assurance, management are aware of the specific issues identified and have agreed action plans to improve control in these areas. These planned control improvements should be referenced in the Annual Governance Statement where it is appropriate to do so.

In addition, we also undertook advisory and non-opinion reviews to support our overall opinion. A summary of the audits undertaken in the year and the results are summarised in table 1 below.

Table 1 – Summary of Audits 2024/25

Substantial Assurance	• Executive Team Governance • Performance Management • Digital Strategic Partner • Digital Benefits Realisation • Cash Management • Waiting List Management • CHC – Database maintenance and Financial Processes.
Reasonable Assurance	• Targeted Intervention Governance • Annual Planning • Financial Management • Job Planning • Emergency & Business Continuity Planning • Learning Lessons • Falls Management • Nurse Staffing Act • Capital Systems • Energy Management • Ultrasound Corporate Risk • Speaking up • WGH Capital RAAC • Agreed action tracking and follow up
Limited Assurance	• Nursing Management • Discharge Management • Mortuary (joint SBUHB) • Data Quality / Use of Data • Bed Management • Health & Safety • Cleanliness
Unsatisfactory	N/A
Advisory/Non-Opinion	• Contract Management • Discharge Management agreed action follow up

Please note that our overall opinion has also considered both the number and significance of any audits that have been deferred during the year (see section 5.7) and other information obtained during the year that we deem to be relevant to our work.

2. Head of Internal Audit Opinion

2.1 Roles and Responsibilities

The Board is collectively accountable for maintaining a sound system of internal control that supports the achievement of the organisation's objectives and is responsible for putting in place arrangements for gaining assurance about the effectiveness of that overall system.

The Annual Governance Statement is a statement made by the Accountable Officer, on behalf of the Board, setting out:

- how the individual responsibilities of the Accountable Officer are discharged with regard to maintaining a sound system of internal control that supports the achievement of policies, aims and objectives;
- the purpose of the system of internal control, as evidenced by a description of the risk management and review processes, including compliance with the Health & Care Quality Standards; and
- the conduct and results of the review of the effectiveness of the system of internal control including any disclosures of significant control failures, together with assurances that actions are or will be taken where appropriate to address issues arising.

The Health Board's risk management process and system of assurance should bring together all the evidence required to support the Annual Governance Statement.

In accordance with the Public Sector Internal Audit Standards (PSIAS), the Head of Internal Audit (HIA) is required to provide an annual opinion, based upon and limited to the work performed on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control. This is achieved through an audit plan that has been focussed on key strategic and operational risk areas and known improvement opportunities, agreed with executive management and approved by the Audit Committee, which should provide an appropriate level of assurance.

The opinion does not imply that Internal Audit has reviewed all risks and assurances relating to the Health Board. The opinion is substantially derived from the conduct of risk-based audit work formulated around a selection of key organisational systems and risks. As such, it is a key component that the Board considers but is not intended to provide a comprehensive view.

The Board, through the Audit Committee, will need to consider the Head of Internal Audit opinion together with assurances from other sources including reports issued by other review bodies, assurances given by management and other relevant information when forming a rounded picture on governance, risk management and control for completing its Governance Statement.

2.2 Purpose of the Head of Internal Audit Opinion

The purpose of the annual Head of Internal Audit opinion is to contribute to the assurances available to the Accountable Officer and Hywel Dda University Health Board which underpin the Board's own assessment of the effectiveness of the organisation's system of internal control.

This opinion will in turn assist the Board in the completion of its Annual Governance Statement and may also be considered by regulators, including Healthcare Inspectorate Wales, in assessing compliance with the Health and Care Quality Standards in Wales, and by Audit Wales in the context of both their external audit and performance reviews.

The overall opinion by the Head of Internal Audit on governance, risk management and control results from the risk-based audit programme and contributes to the picture of assurance available to the Board in reviewing effectiveness and supporting our drive for continuous improvement.

2.3 Assurance Rating System for the Head of Internal Audit Opinion

The overall opinion is based primarily on the outcome of the work undertaken during the 2024/25 audit year. We also consider other information available to us such as our overall knowledge of the organisation, the findings of other assurance providers and inspectors, and the work we undertake at other NHS Wales organisations. The Head of Internal Audit considers the outcomes of the audit work undertaken and exercises professional judgement to arrive at the most appropriate opinion for each organisation.

A quality assurance review process has been applied by the Director of Audit & Assurance and the Head of Internal Audit in the annual reporting process to ensure the overall opinion is consistent with the underlying audit evidence.

We take this approach into account when considering our assessment of our compliance with the requirements of PSIAS.

The assurance rating system based upon the colour-coded barometer and applied to individual audit reports remains unchanged. The descriptive narrative used in these definitions has proven effective in giving an objective and consistent measure of assurance in the context of assessed risk and associated control in those areas examined.

This same assurance rating system is applied to the overall Head of Internal Audit opinion on governance, risk management and control as to individual assignment audit reviews. The assurance rating system together with definitions is included at **Appendix B**.

The individual conclusions arising from detailed audits undertaken during the year have been summarised by the assurance ratings received. The aggregation of audit results gives a better picture of assurance to the Board and also provides a rational basis for drawing an overall audit opinion. However, please note that for presentational purposes we have shown the results using the eight areas that were previously used to frame the audit plan at its outset (see section 2.4.2).

2.4 Head of Internal Audit Opinion

Scope of opinion

As noted already, the scope of my opinion covers both those areas examined in the risk-based audit plan which has been agreed with senior management and approved by the Audit Committee, and other information obtained during the year that we deem to be relevant to our work. The Head of Internal Audit assessment should be interpreted in this context when reviewing the effectiveness of the system of internal control and be seen as an internal driver for continuous improvement. The Head of Internal Audit opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management, and control is set out below.

Reasonable assurance		The Board can take Reasonable assurance that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance. **Low to moderate impact** on residual risk exposure until resolved.

This opinion will need to be reflected within the Annual Governance Statement along with confirmation of action planned to address the issues raised from reviews.

Focus should be placed on the agreed response to any Unsatisfactory and Limited Assurance opinions issued during the year (of which there were seven in 2024/25) and the significance of the recommendations made as well as addressing implementation of recommendations from previous year reviews.

Basis for Forming the Opinion

The audit work undertaken during 2024/25, and reported to the Audit Committee, has been aggregated at Section 5.

The evidence base upon which the overall opinion is formed is as follows:

- An assessment of the range of individual opinions and outputs arising from risk-based audit assignments contained within the Internal Audit plan that have been reported to the Audit Committee throughout the year. In addition, and where appropriate, work at either draft report stage or in progress but substantially complete has also been considered, and where this is the case then it is identified in the report. This assessment has taken account of the relative materiality of these areas and the results of any follow-up audits in progressing control improvements.
- The results of any audit work related to the Health & Care Quality Standards including, if appropriate, the evidence available by which the Board has arrived at its declaration in respect of the self-assessment for the leadership standard.

  Other assurance reviews which impact on the Head of Internal Audit opinion including audit work performed at other organisations (see Section 3).
- Other knowledge and information that the Head of Internal Audit has obtained during the year including cumulative information and knowledge over time; observation of Board and other key Committee meetings; meetings with Executive Directors, senior managers and Independent Members; the results of *ad hoc* work and support provided; liaison with other assurance providers and Inspectors; research; and cumulative audit knowledge of the organisation that the Head of Internal Audit considers relevant to the Opinion for this year.

As stated above, these detailed results have been aggregated to build a picture of assurance across the Health Board.

In reaching this opinion we have identified some reviews during the year concluded positively with effective control arrangements operating in some areas.

From the opinions issued during the year, seven were allocated Substantial Assurance, fourteen were allocated Reasonable Assurance, seven was allocated Limited Assurance with none allocated an Unsatisfactory assurance opinion. two advisory or non-opinion reports was also issued.

It is considered that the UHB has strong arrangements at a corporate level, and this is again supported by outcomes from audit within the 24/25 plan. However arrangements across areas and services within the organisation show significant variation, with weaknesses frequently identified from an internal control, risk management and governance perspective.

In addition, the Head of Internal Audit has considered residual risk exposure across those assignments where limited assurance was reported. Further, the Head of Internal Audit has considered the impact where audit assignments planned this year did not proceed to full audits following preliminary planning work and these were either: removed from the plan; removed from the plan and replaced with another audit; or deferred until a future audit year. The reasons for changes to the audit plan were presented to the Audit Committee for consideration and approval. Notwithstanding that the opinion is restricted to those areas which were subject to audit review, the Head of Internal Audit has considered the impact of changes made to the plan when forming the overall opinion.

A summary of the findings is shown below. We have reported the findings using the eight areas of the Health Board's activities that we had previously used to structure our strategic and one-year operational plans.

Corporate Governance, Risk Management and Regulatory Compliance

We have undertaken three reviews in this area, with each of them concluding positively with regard to the arrangements in place.

The audit of **Executive Team Working** provided Substantial assurance of the revised working arrangement implemented during the year.

The audit of **Targeted Intervention Governance provided Reasonable** assurance over the over the effectiveness of governance arrangements in place for the closure of TI actions.

The review of the arrangements for **agreed action tracking and implementation** concluded with reasonable assurance, identified a strong corporate process although highlight that evidence was not available to support the full implementation of some actions reviewed.

Strategic Planning, Performance Management & Reporting

We have undertaken four reviews in this area.

Substantial Assurance was provided for the both the audits of **Performance Management** and **Waiting List Management.**

Reasonable assurance was provided for the audit **Annual Planning.** A robust planning process was implemented for the development of the Hywel Dda Annual Plan, with Clear

governance and reporting arrangements had been embedded, however highlighting the need for the earlier identification through the planning process, of a higher percentage of green schemes.

Emergency & Business Continuity Planning was given Reasonable assurance. The audit identified that the Health Board had a clear emergency and business continuity framework in place with an established Emergency Planning Team that provide hands-on support to directors and service managers and collate completed critical function analyses and business continuity plans. It was identified however that some operational teams were not fulfilling their responsibilities to develop business continuity plans and undertake regular testing as outlined in policy.

Financial Governance and Management

We have undertaken four reviews in this area, together with audit work at NHS Wales Shared Services Partnership.

- The audit of **Cash Management** concluded positively with Substantial Assurance given. The audit of **Financial Management** concluded with reasonable assurance, while highlighting areas for improvement including formal monitoring and management of savings schemes at directorate level as well as budget delegation beneath Executive Director level.
- The audit of **CHC Database Maintenance & Financial Processes** has concluded with substantial assurance.
- The All Wales **Contract Management** advisory review has highlighted areas for improvement across all organisations.
- In addition to the UHB audits, a programme of work is undertaken at NWSSP. The outcomes form the audits the payment systems provided by NWSSP which relate to the Health Board concluded with positive assurance. The audits of Primary Care Contractor Pharmacy Services payment systems and the audit of Payroll receiving Substantial Assurance and the Accounts Payable each Reasonable Assurance.

Quality & Safety

We have undertaken three reviews in this area.

The audit of Learning Lessons concluded with Reasonable Assurance. The audit of **Falls Management** concluded with reasonable assurance; however a high priority matter arising was identified with regard to falls risk assessments had not been completed or were not timely following patient admission. The audit of **Speaking Up** concluded with reasonable assurance, however a high priority matter arising was identified with lack of a single report of formal and informal raised concerns, nor the triangulation of lessons learned.

Information Governance & Security

We have undertaken three reviews in this area.

The audits of **Digital Strategic Partner Arrangements** and **Digital Benefits Realisation,** both concluded with Substantial Assurance. The audit of **Data Quality & Use of Data** concluded with Limited Assurance highlighting areas for improvement

relating to a gap in the resources needed to fully implement and maintain data quality standards across all health board systems; the lack of accountability for data quality within service areas and the absence of data quality metrics to aid performance monitoring.

Operational Service and Functional Management

We have undertaken 7 review in this area

The Ultrasound Corporate Risk audit concluded with reasonable assurance. Reasonable.

The **Discharge Management** audit concluded Limited assurance. The **Discharge Management Follow up** audit noted that progress had been made with the implementation of the three of the four actions raised from the original review.

The audit report on **Mortuary Services** for Hywel Dda and Swansea Bay University Health Boards concluded with Limited Assurance and highlights the requirement for clearer roles and responsibilities and to review governance structures to ensure they provide effective oversight. Funding issues have clearly impacted capacity to deliver the Regional Pathology Programme

The audit of **Management of Bed Capacity** concluded with Limited assurance with the management attention required to address a number of key areas including Little to no evidence to support established core bed numbers for Section 25A wards; variances in the established core bed numbers; multiple sources of established core bed numbers with varying figure and lack of a formal service change process, including the adjustment established core bed numbers.

The audit of **Cleanliness Standards** identified that whilst some progress has been made in addressing the issues arising from the 2023/24 internal audit, a number of actions are ongoing with the associated risks not fully addressed, particularly in relation to the use of cleaning schedule and the frequency of cleaning audits not always compliant with Standards or Policy and target scores are not being consistently achieved. The audit concluded limited assurance overall.

The **Health & Safety** audit concluded with Limited assurance, highlighting a number of areas for improvements, particularly in relation gaps in assurance reporting, and insufficient monitoring of actions arising from H&S site visits, significant volume of outstanding actions and weakness in the methodology for prioritising actions Limited

Workforce Management

We have undertaken three reviews in this area during 2024/25.

The audit of **Consultants Job Planning** concluded with reasonable assurance and identified significant improvements had been made since previous audits. The **Nurse Staffing Act** concluded with reasonable assurance. The **Nursing Management** audit concluded with Limited assurance with high priority findings in relation to sickness management, annual leave management and a lack of evidence to demonstrate that agency use has been approved in line with the new escalation process.

Capital & Estates Management

We have undertaken three reviews in this area.

The audits of Energy Management, C**apital Systems and WGH RAAC reasonable** each conclude with reasonable assurance.

2.5 Approach to Follow Up of Recommendations

As part of our Follow-up of Previous Recommendations audit work, we consider the progress made in implementing the actions agreed from our previous reports for which we were able to give only Limited Assurance. In addition, where appropriate, we also consider progress made on high priority findings in reports where we were still able to give Reasonable Assurance. We also undertake some testing on the accuracy and effectiveness of the audit recommendation tracker.

In addition, Audit & Risk Assurance Committees monitor the progress in implementing recommendations (this is wider than just Internal Audit recommendations) through their own recommendation tracker processes. We attend all audit committee meetings and observe the quality and rigour around these processes.

However, it remains the role of Audit & Risk Assurance Committees to consider and agree the adequacy of management responses and the dates for implementation, and any subsequent request for revised dates, proposed by Management. Where appropriate, we have adjusted our approach to follow-up work to reflect these challenges.

We have considered the impact of both our follow-up work and where there have been delays to the implementation of recommendations, on both our ability to give an overall opinion (in compliance with the PSIAS) and the level of overall assurance that we can give.

The Health Board's recommendation tracking process continued during 2024/25, but organisational pressures affected the ability of management to take forward recommendations in some areas. The Audit Risk & Assurance Committee have been updated during the year about the ongoing position of recommendations implemented and the level of recommendations still to be actioned.

From the specific follow up audits undertaken that related to Limited assurance audits in the previous year's audit plan, it was identified that progress had been made in a number of areas with implementing agreed actions, particularly with regard to Consultant Job Planning where significant improvements had been made.

It was highlighted however that further progress was required in implementing recommendations from a number of particularly Cleanliness Standards and Nursing Management.

A specific audit looking at sample of high priority recommendations and the Health Board's recommendation tracking process concluded that the corporate tracking were robust.

Internal Audit has also undertaken work with the Health Board's Risk & Assurance team to review outstanding recommendations and evidence supporting management assessment of where actions have been completed.

2.6 Limitations to the Audit Opinion

Internal control, no matter how well designed and operated, can provide only reasonable and not absolute assurance regarding the achievement of an organisation's objectives.

The likelihood of achievement is affected by limitations inherent in all internal control systems.

In accordance with auditing standards, and with the agreement of senior management and the Board, Internal Audit work is deliberately prioritised according to risk and materiality. Accordingly, the Internal Audit work and reported outcomes will bias towards known weaknesses as a driver to improve governance risk management and control. This context is important in understanding the overall opinion and balancing that across the various assurances which feature in the Annual Governance Statement.

Caution should be exercised when making comparisons with prior years. Audit coverage will vary from year to year based upon risk assessment and cyclical coverage on key control systems.

2.7 Period covered by the Opinion

Internal Audit provides a continuous flow of assurance to the Board and, subject to the key financials and other mandated items being completed in-year, the cut-off point for annual reporting purposes can be set by agreement with management. To enable the Head of Internal Audit opinion to be better aligned with the production of the Annual Governance Statement a pragmatic cut-off point has been applied to Internal Audit work in progress.

By previous agreement with the Health Board, audit work reported to draft stage has been included in the overall assessment, with all other work in progress rolled-forward and reported within the overall opinion for next year.

Most audit reviews will relate to the systems and processes in operation during 2024/25 unless otherwise stated and reflect the condition of internal controls pertaining at the point of audit assessment.

Follow-up work will provide an assessment of action taken by management on recommendations made in prior periods and will therefore provide a limited scope update on the current condition of control and a measure of direction of travel.

There are some specific assurance reviews which remain relevant to the reporting of the organisation's Annual Report required to be published after the year end. Where required, any specified assurance work would be aligned with the timeline for production of the Health Board's Annual Report and accordingly will be completed and reported to management and the Audit & Risk Assurance Committee after this Head of Internal Audit Opinion. However, the Head of Internal Audit's assessment of arrangements in these areas would be legitimately informed by drawing on the assurance work completed as part of this current year's plan.

2.8 Required Work

Please note that following discussions with Welsh Government we were not mandated to audit any areas in 2024/25.

2.9 Statement of Conformance

The Welsh Government determined that the Public Sector Internal Audit Standards (PSIAS) would apply across the NHS in Wales from 2013/14.

The provision of professional quality Internal Audit is a fundamental aim of our service delivery methodology and compliance with PSIAS is central to our audit approach. Quality is controlled by the Head of Internal Audit on an ongoing basis and monitored by the

Director of Audit & Assurance. In addition, at least once every five years, we are required to have an External Quality Assessment. This was undertaken by the Chartered Institute of Public Finance and Accountancy (CIPFA) in March 2023, reported in April 2023 stated who concluded we 'Fully Conform' with the Standards.

The NWSSP Audit and Assurance Services can assure the Audit & Risk Assurance Committee that it has conducted its audit at the Health Board in conformance with the Public Sector Internal Audit Standards for 2024/25.

Our conformance statement for 2024/25 is based upon:

- the results of our internal Quality Assurance and Improvement Programme (QAIP) for 2024/25 which will be reported formally in the Summer of 2025; and
- The results of the External Quality Assessment.

We have set out, in **Appendix A**, the key requirements of the Public Sector Internal Audit Standards and our assessment of conformance against these requirements. The full results and actions from our QAIP will be included in the 2024/25 QAIP report. There are no significant matters arising that need to be reported in this document.

We also note that there have been no impairments to the independence of the Head of Internal Audit or to any other members of NWSSP's Audit & Assurance Service who undertook work on the Health Board's audit programme for 2024/25.

The Head of Internal Audit has unfettered access to the Chief Executive, Chair of the Audit & Risk Assurance Committee and Health Board Chair.

2.10 Completion of the Annual Governance Statement

While the overall Internal Audit opinion will inform the review of effectiveness for the Annual Governance Statement, the Accountable Officer and the Board need to consider other assurances and risks when preparing their Statement. These sources of assurances will have been identified within the Board's own performance management and assurance framework and will include, but are not limited to:

- direct assurances from management on the operation of internal controls through the upward chain of accountability;
- internally assessed performance against the Health & Care Quality Standards;
- results of internal compliance functions including Local Counter-Fraud, Post Payment Verification, and risk management;
- reported compliance via the Welsh Risk Pool regarding claims standards and other specialty specific standards reviewed during the period; and
- reviews completed by external regulation and inspection bodies including Audit Wales, Healthcare Inspectorate Wales and Health and Safety Executive.

3. Other work relevant to the Health Board

As our internal audit work covers all NHS Wales organisations there are a number of audits that we undertake each year which, while undertaken formally as part of a particular health organisation's audit programme, will cover activities relating to other health bodies. These are set about below, with relevant comments and opinions attached, and relate to work at:

- NHS Wales Shared Services Partnership;
- Digital Health & Care Wales; and
- NHS Wales Joint Commissioning Committee.

NHS Wales Shared Services Partnership (NWSSP)

As part of the internal audit programme at NHS Wales Shared Services Partnership (NWSSP), a hosted body of Velindre University NHS Trust, a number of audits were undertaken which are relevant to the Health Board. These audits of the financial systems operated by NWSSP, processing transactions on behalf of the Health Board, derived the following opinion ratings:

Audit	Opinion	Outline scope
Accounts Payable	Reasonable	To review the adequacy of the systems and controls in place for key risk areas in the accounts payable process, including progress in implementing the actions agreed with management to address the issues identified in the previous audit report.
PCS Pharmacy	Substantial	To provide assurance that Primary Care Services is maintaining a robust system to facilitate timely and accurate payments to pharmacy contractors.
Payroll	Substantial	To evaluate the design and operation of the systems and controls in place within payroll services.
Recruitment Services	Substantial	To review the adequacy of systems and controls in place for Recruitment Services.

Please note that other audits of NWSSP activities are undertaken as part of the overall NWSSP internal audit programme. All audits in this programme are reported to the Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership. The overall Head of Internal Audit Opinion for NWSSP is Reasonable Assurance.

Digital Health & Care Wales (DHCW)

As part of the internal audit programme at DHCW, a Special Health Authority that started operating from 1 April 2021, a number of audits were undertaken which are relevant to the Health Board. These audits derived the following opinion ratings:

Audit	Opinion	Outline scope
Financial Sustainability	Substantial	To review the financial management arrangements in place to ensure the ongoing sustainability of services and project delivery, with a particular focus on sustainable funding requirements for projects (e.g. DPIF, WASPI).
Programme Management	Reasonable	To establish the effectiveness of the portfolio management model used by DHCW and the controls that are in place to ensure it operates across the range of active projects.
Mission One – National Data Resource	Reasonable	To provide assurance over the National Data Resource (NDR) Platform programme of work, including progress towards implementing local datastores, and reference, demographics and medicines data.
Mission One – Cloud Services	Substantial	To provide assurance over the programme of work to move live services from datacentres into the cloud.

Please note that other audits of DHCW activities are undertaken as part of the overall DHCW internal audit programme. The overall Head of Internal Audit Opinion for DHCW is Reasonable Assurance.

NHS Wales Joint Commissioning Committee (JCC)

The work at the JCC is undertaken as part of the Cwm Taf Morgannwg internal audit plan. These audits are listed below and derived the following opinion ratings:

Audit	Opinion	Outline scope
Mental Health Quality Commissioning arrangements	Reasonable	The purpose of the review was to assess the effectiveness of the arrangements in the JCC to oversee the quality and safety aspects of the commissioning of mental health and learning disability placements.
Governance	Advisory	To assess the arrangements that have been put in place at the JCC for embedding the statutory governance framework and the establishment of operational governance arrangements to provide effective oversight in the new organisation.
Financial arrangements [Draft]	Reasonable	To consider the financial arrangements in relation to financial management and budgetary control, procurement and income.
Review of Traumatic Stress Wales [Draft]	Reasonable	The purpose of the review was to provide information to assist the Director of Commissioning for Mental Health, Learning Disabilities and Vulnerable Groups within the JCC to determine the optimum delivery mechanism for the national objective of Traumatic

Audit	Opinion	Outline scope
		Stress Wales (TSW), by review of the adequacy of the systems and controls in place within TSW and the JCC in relation to its management of TSW. The review sought to provide assurance to the Chief Commissioner via the Director of Commissioning for Mental Health, Learning Disabilities and Vulnerable Groups, that TSW is operating effectively, systems are being managed appropriately, and there is clarity on the purpose and objectives of TSW within the new arrangements for the JCC.

While these audits do not form part of the annual plan for the Health Board, they are listed here for completeness as they do impact on the organisation's activities. The Head of Internal Audit has considered if any issues raised in the audits could impact on the content of our annual report and concluded that there are no matters of this nature.

Full details of the NWSSP audits are included in the NWSSP Head of Internal Audit Opinion and Annual Report. DHCW audits are summarised in the DHCW Head of Internal Audit Opinion and Annual Report, and the JCC audits are summarised in the Cwm Taf Morgannwg University Health Board Head of Internal Audit Opinion and Annual Report.

4. Delivery of the Internal Audit Plan

4.1 Performance against the Audit Plan

The Internal Audit Plan has been delivered substantially in accordance with the schedule agreed with the Audit & Risk Assurance Committee, subject to changes agreed as the year progressed. Regular audit progress reports have been submitted to the Audit & Risk Assurance Committee during the year. Audits that remain to be reported, but are reflected within this Annual Report, will be reported alongside audits from the 2024/25 operational audit plan.

The audit plan approved by the Committee in April 2024 contained thirty one planned reviews. Changes have been made to the plan with three audits added and four deferred. All these changes have been reported to, and approved by, the Audit & Risk Assurance Committee.

The assignment status summary is reported at section 5.

In addition, we may respond to requests for advice and/or assistance across a variety of business areas across the Health Board. This advisory work, undertaken in addition to the assurance plan, is permitted under the standards to assist management in improving governance, risk management and control. This activity is reported during the year within our progress reports to the Audit Committee.

4.2 Service Performance Indicators

In order to monitor aspects of the service delivered by Internal Audit, a range of service performance indicators have been developed.

Indicator Reported to Audit Committee	Status	Actual	Target	Red	Amber	Green
Operational Audit Plan agreed for 2024/25	G	April 2024	By 30 June	Not agreed	Draft plan	Final plan

Indicator Reported to Audit Committee	Status	Actual	Target	Red	Amber	Green
Total assignments reported against adjusted plan for 2024/25	G	100%	100%	v>20%	10%<v<20%	v<10%
Report turnaround: time from fieldwork completion to draft reporting [10 working days]	G	96.7%	80%	v>20%	10%<v<20%	v<10%
Report turnaround: time taken for management response to discussion & draft report [15 working days]	G	86.7%	80%	v>20%	10%<v<20%	v<10%
Report turnaround: time from management response to issue of final report [10 working days]	G	100%	80%	v>20%	10%<v<20%	v<10%

Key: v = percentage variance from target performance

5. Risk based audit assignments

The overall opinion provided in Section 1 and our conclusions on individual reviews is limited to the scope and objectives of the reviews we have undertaken, detailed information on which has been provided within the individual audit reports.

5.1 Overall summary of results

In total 30 audit reviews were reported during the year. Figure 1 below presents the assurance ratings, and the number of audits derived for each.

Figure 1 Summary of audit ratings

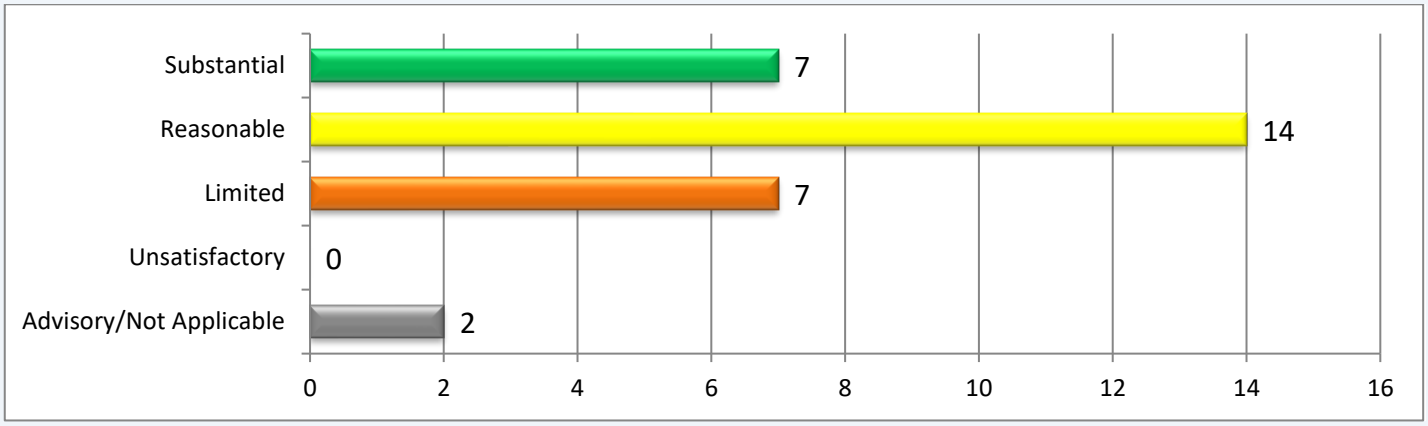

Figure 1 above does not include the audit ratings for the reviews undertaken at NWSSP, DHCW or the NHS Wales Joint Commissioning Committee.

The assurance ratings and definitions used for reporting audit assignments are included in **Appendix B**.

In addition to the above, there were several audits which did not proceed following preliminary planning and agreement with management. In some cases, it was recognised that there was action required to address issues and/or risks already known to management and an audit review at that time would not add additional value. These audits are documented in section 5.7.

The following sections provide a summary of the scope and objective for each assignment undertaken within the year along with the assurance rating.

5.2 Substantial Assurance (Dark Green)

In the following review areas, the Board can take **substantial assurance** that arrangements to secure governance, risk management and internal control are suitably designed and applied effectively. Those few matters that may require attention are compliance or advisory in nature with low impact on residual risk exposure.

Review Title	Objective
Executive Team Governance	Review of the revised Executive Team working arrangement, to ensure that the Executive Team and supporting groups are operating in line with agreed terms of reference with effective discharge of roles and responsibilities
Performance Management	This audit has reviewed the Health Board's performance management arrangements including the Directorate Improving Together Process, alignment with the NHS Wales Performance Framework and mechanisms for data collation.
Waiting List Management	The overall objective of this audit is to provide assurance of the key controls in place to manage and mitigate the risks facing Orthopaedic Services to achieve ministerial waiting list targets.
Digital Strategic Partner	To review the arrangement relating to the contract for the strategic partner.
Digital Benefits Realisation	The purpose of the audit is to determine if the principles of an appropriate benefits realisation framework have been implemented within Digital to support decision making.
Cash Management	The overall objective of this audit was to review, assess and provide assurance over the arrangements in place for strategic cash management.
Continuing Healthcare – Database Maintenance & Finance Processes	A limited scope review of the arrangements in place for maintaining and updating the All-Wales National Complex Care Database, and subsequent accounting and forecasting processes.

5.3 Reasonable Assurance (Light Green)

In the following review areas, the Board can take **reasonable assurance** that arrangements to secure governance, risk management and internal control are suitably designed and applied effectively. Some matters require management attention in either control design or operational compliance and these will have low to moderate impact on residual risk exposure until resolved.

Review Title	Objective
Targeted Intervention Governance	The overall objective of this review was to assess and provide independent assurance over the effectiveness of governance arrangements in place for the closure of TI actions.
Annual Planning	The overall objective of the audit is to review the processes and assumptions used for developing the Annual Plan noting how finance, activity and workforce elements are included.
Financial Management	Review control systems in place for financial management, budgetary control and delivery of savings.
Job Planning	The overall objective of this review is to assess progress in implementing the actions agreed with management to address the issues identified in the previous audit, including additional testing.
Emergency & Business Continuity Planning	Review, assess and provide assurance over the arrangements in place for emergency response and business continuity planning.
Learning Lessons	The overall objective of this review is to provide assurance over the arrangements for the implementation and sharing of identified lessons learned.
Falls Management	To review the arrangements across the Health Board for the prevention and management of falls and to assess progress made in implementing recommendations arising from the previous internal audit.
Nurse Staffing Act	To review arrangements to ensure compliance with the Nurse Staffing Levels (Wales) Act 2016.
Capital Systems	Capital systems coverage focused on the selection, appointment and contractual arrangements applied at Capital and Estates projects (covering both advisers and contractors).
Energy Management	The audit will be undertaken to determine the adequacy of, and operational compliance with, the established systems for the management and control of energy consumption within the UHB and will also take account of other supporting regulatory and procedural requirements, as appropriate.
Ultrasound Corporate Risk	To undertake a review of the key controls in place to manage and mitigate the risk of the inability to provide a full range of Ultrasound Services, including antenatal, across the Health Board.

Review Title	Objective
Speaking Up	To review the implementation of the framework and assess its impact in promoting a culture that enables staff to raise concerns.
Agreed action tracking and follow up	To provide assurance on the status of implemented recommendations on the audit tracker and review the systems and arrangements the Health Board has in place to monitor progress with the implementation of actions.
Withybush General Hospital RAAC	The proposed review will be undertaken to determine the adequacy of, and operational compliance with, the UHB's systems and procedures, taking account of relevant NHS and other supporting regulatory and procedural requirements, as appropriate.

5.4 Limited Assurance (Amber)

In the following review areas, the Board can take only **limited assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. More significant matters require management attention with moderate impact on residual risk exposure until resolved.

Review Title	Objective
Nursing Management	Review of the systems in place for rostering and absence management.
Discharge Management	This review has sought to provide assurance on the controls and processes in place for the safe and efficient discharge of patients, including progress in implementing the actions agreed with management to address the issues identified in the previous audit report
Mortuary (joint SBUHB)	Joint review of the arrangements in place between Swansea Bay and Hywel Dda UHBs to support the effective provision of mortuary services, ensuring compliance with Human Tissue Authority regulations.
Data Quality / Use of Data	To review the structures and processes for ensuring data quality within the Health Board
Bed Management	To assess the arrangements of established bed capacity baselines, and the allocation and utilisation of beds, including the use and de-escalation of surge beds.
Health & Safety	Review arrangements for ensuring compliance with Health & Safety regulations.
Cleanliness	The overall objective of this follow-up review was to assess progress in implementing the actions agreed with management to address the issues identified in the previous audit, including additional testing.

5.5 Unsatisfactory (Red)

No reviews were assigned an 'unsatisfactory' opinion.

5.6 Advisory/Assurance Not Applied (Grey)

The following review was undertaken as part of the audit plan and reported without the standard assurance rating indicator, owing to the nature of the audit approach. The level of assurance given for this review is deemed not applicable – these are reviews and other assistance to management, provided as part of the audit plan, to which the assurance definitions are not appropriate, but which are relevant to the evidence base upon which the overall opinion is formed.

Review Title	Objective
Contract Management (All Wales review)	To assess whether the health board has appropriate contract management arrangements in place.
Discharge agreed action tracking follow up	The overall objective of this follow up review is to assess the progress in implementing the actions agreed with management to address the issues identified in the previous audit.

5.7 Audits not undertaken

Additionally, the following audits were deferred for the reasons outlined below. We have considered these reviews and the reason for their deferment when compiling the Head of Internal Audit Opinion.

Review Title	Objective
Medical Locums	Review arrangement for the control and management of the usage of medical locums. Included with 25/26 plan as programme of work still in progress.
Managed Practices	Review the provision and management of managed practices. Included with 25/26 plan in order to accommodate other work.
Revised operational governance arrangements	Review of the revised Directorate Governance Structures. Included with 25/26 as structures were not implemented until April 2025.
Estates & Facilities Directorate	Review control and governance arrangements including rotas, staff management and Procurement. Included with 25/26 plan as other internal work was schedule within directorate.

In addition, at the time of this annual report there were no reviews that were 'work in progress'.

6. Acknowledgement

In closing I would like to acknowledge the time and co-operation given by Directors and staff of the Health Board to support delivery of the Internal Audit assignments undertaken within the 2024/25 plan.

James Johns
Pennaeth yr Archwiliad Mewnol/Head of Internal Audit
Gwasanaethau Archwilio a Sicrwydd/Audit and Assurance Services
Partneriaeth Cydwasanaethau GIG Cymru/NHS Wales Shared Services Partnership
June 2025

Appendix A

ATTRIBUTE STANDARDS	
1000 Purpose, authority and responsibility	Internal Audit arrangements are derived ultimately from the NHS organisation's Standing Orders and Financial Instructions. These arrangements are embodied in the Internal Audit Charter adopted by the Audit & Risk Assurance Committee on an annual basis.
1100 Independence and objectivity	Appropriate structures and reporting arrangements are in place. Internal Audit does not have any management responsibilities. Internal audit staff are required to declare any conflicts of interests. The Head of Internal Audit has direct access to the Chief Executive and Audit & Risk Assurance Committee chair. There have been no impairments to our independence during 2024/25.
1200 Proficiency and due professional care	Staff are aware of the Public Sector Internal Audit Standards and code of ethics. Appropriate staff are allocated to assignments based on knowledge and experience. Training and Development exist for all staff. The Head of Internal Audit is professionally qualified.
1300 Quality assurance and improvement programme	Head of Internal Audit undertakes quality reviews of assignments and reports as set out in internal procedures. Internal quality monitoring against standards is performed by the Head of Internal Audit and Director of Audit & Assurance. An EQA was undertaken in 2023.
PERFORMANCE STANDARDS	
2000 Managing the internal audit activity	The Internal Audit activity is managed through the NHS Wales Shared Services Partnership. The audit service delivery plan forms part of the NWSSP integrated medium term plan. A risk based strategic and annual operational plan is developed for the organisation. The operational plan gives detail of specific assignments and sets out overall resource requirement. The audit strategy and annual plan is approved by Audit & Risk Assurance Committee.

	Policies and procedures which guide the Internal Audit activity are set out in an Audit Quality Manual. There is structured liaison with Audit Wales, HIW and LCFS.
2100 Nature of work	The risk-based plan is developed, and assignments performed in a way that allows for evaluation and improvement of governance, risk management and control processes, using a systematic and disciplined approach.
2200 Engagement planning	The Audit Quality Manual guides the planning of audit assignments which include the agreement of an audit brief with management covering scope, objectives, timing and resource allocation.
2300 Performing the engagement	The Audit Quality Manual guides the performance of each audit assignment and report is quality reviewed before issue.
2400 Communicating results	Assignment reports are issued at draft and final stages. The report includes the assignment scope, objectives, conclusions and improvement actions agreed with management. An audit progress report is presented at each meeting of the Audit & Risk Assurance Committee. An annual report and opinion is produced for the Audit & Risk Assurance Committee giving assurance on the adequacy and effectiveness of the organisation's framework of governance, risk management and control.
2500 Monitoring progress	An internal follow-up process is maintained by management to monitor progress with implementation of agreed management actions. This is reported to the Audit & Risk Assurance Committee. In addition, audit reports are followed up by Internal Audit on a selective basis as part of the operational plan.
2600 Communicating the acceptance of risks	If Internal Audit considers that a level of inappropriate risk is being accepted by management, it would be discussed and will be escalated to Board level for resolution.

Appendix B

Assurance Opinion

	Substantial	Few matters require attention and are compliance or advisory in nature. **Low impact** on residual risk exposure.
	Reasonable	Some matters require management attention in control design or compliance. **Low to moderate impact** on residual risk exposure until resolved.
	Limited	More significant matters require management attention. **Moderate impact** on residual risk exposure until resolved.
	Unsatisfactory	Action is required to address the whole control framework in this area. **High impact** on residual risk exposure until resolved.
	Advisory	Given to reviews and support provided to management which form part of the internal audit plan, to which the assurance definitions are not appropriate. These reviews are still relevant to the evidence base upon which the overall opinion is formed.

Disclaimer

This audit report has been prepared for internal use only. Audit and Assurance Services reports are prepared, in accordance with the agreed audit brief, and the Audit Charter as approved by the Audit Committee.

Audit reports are prepared by the staff of the NHS Wales Audit and Assurance Services and addressed to Independent Members or officers including those designated as Accountable Officer. They are prepared for the sole use of the Hywel Dda University Health Board and no responsibility is taken by the Audit and Assurance Services Internal Auditors to any director or officer in their individual capacity, or to any third party.

The report is based on the review work undertaken and is not necessarily a complete statement of all weaknesses that exist or potential improvements. Whilst every care has been taken to ensure that the information provided in this report is as accurate as possible, no complete guarantee or warranty can be given with regard to the advice and information contained.

Our work does not provide absolute assurance that material errors, loss or fraud do not exist. Responsibility for a sound system of internal controls and the prevention and detection of fraud and other irregularities rests with management of the Hywel Dda University Health Board. Work performed by internal audit should not be relied upon to identify all strengths and weaknesses in internal controls, or all circumstances of fraud or irregularity. Effective and timely implementation of recommendations is important for the development and maintenance of a reliable internal control system.

Prioritisation of Findings

Priority	Explanation
High	Significant risk to achievement of a system objective OR evidence present of material loss, error, or misstatement. Poor system design OR widespread non-compliance.
Medium	Some risk to achievement of a system objective. Minor weakness in system design OR limited non-compliance.

Public Sector Internal Audit Standards

Audit work undertaken by NHS Wales Audit and Assurance Services conforms with the International Standards for the Professional Practice of Internal Auditing and associated Public Sector Internal Audit Standards as validated through the external quality assessment undertaken by the Chartered Institute of Public Finance & Accountancy in April 2023.

Website: [Audit & Assurance Services - NHS Wales Shared Services Partnership]

Head of Internal Audit Opinion 2024/2025

Briefing Paper – Developing the Opinion

June 2025

Hywel Dda University Health Board

GIG CYMRU NHS WALES

Partneriaeth Cydwasanaethau
Gwasanaethau Archwilio a Sicrwydd

Shared Services Partnership
Audit and Assurance Services

Introduction and Background

At the end of year audit year, the Head on Internal Audit is required to issue an Opinion and Annual Report. The purpose of the annual Head of Internal Audit opinion is to contribute to the assurances available to the Chief Executive as Accountable Officer and to the Board, which underpin the Board's own assessment of the effectiveness of the system of internal control. The Opinion given provides a level of assurance as to the adequacy of an organisation's arrangements for Governance, Risk and Control.

This overall Opinion and Annual Report document sets out the Head of Internal Audit Opinion together with the summarised results of the internal audit work performed during the year.

A quality assurance review process has been applied by the Director of Audit & Assurance and the Head of Internal Audit in the annual reporting process to ensure the overall opinion is consistent with the underlying audit evidence.

This briefing paper is provided for the Audit & Risk Assurance Committee, and sets out in some detail our rationale for the Opinion intended to be issued to the Health Board for 2024/25 along with the opinion and annual report itself.

Head of Internal Audit Opinion 2024/25

The Head of Internal Audit Opinion 2024/25 is Reasonable Assurance.

Reasonable Assurance		The Board can take **Reasonable Assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance with low to moderate impact on residual risk exposure until resolved.

3.Development of Opinion and Rationale

The Opinion by the Head of Internal Audit results from the risk-based audit programme of audit work delivered as part of the approved plan. It is predominantly based on the number / percentage of Limited assurance audit ratings, the significance of the areas/findings, and also the broader position regarding overall Governance, risk management and control and any improvements made to address agreed management actions.

The formulation of the opinion has been considered on the basis of the results of our audit work, including both opinions and risk, as part of our risk-based plan. We also consider a comparison of outcomes across years, a comparison to others to inform our considerations, the significance of the Limited areas and any progress to date, including from re-audits, follow up work and tracking of agreed actions. Consideration is also given to the impact of the deferred audits, together with other considerations around

the relevant information relating to the organisation's overall system of governance, risk management and control.

The overall opinion for the 2024/25 year has been determined as Reasonable Assurance. It is however important to note that the opinion was a close call this year between Reasonable and Limited and also to recognise that whist the Health Progress has made progress in a number of areas there are challenges in the year ahead that will need to be addressed in order to maintain this level of opinion going forward.

Key points noted in developing the Opinion:

- An increase in the number of substantial assurance ratings.
- A number of Substantial and Reasonable assurance ratings in key corporate areas including, Targeted Intervention Governance, Executive team Governance, Annual Planning, Financial Management, Performance Management and Waiting List Management.
- Seven Limited Assurance Ratings were issued during the year (equating to a slightly lower percentage of the plan than last year.) A number of these were impacted by weaknesses at an operational level within the organisation. Follow up work has seen timely progress with the implementation of many of the high priority recommendations within the 2024/25 audit year.
- Limited assurance ratings audits in key areas including Discharge Management, Health & Safety, Management of Bed Capacity and Cleanliness Standards.
- A specific in year follow up of agreed actions has identified progress with the actions for discharge management.
- Significant improvements were identified in Consultant Job Planning with a focussed effort by the Health Board to make those improvements in an area which has had long standing weaknesses.
- Good progress has been made in the implementation of agreed actions from the previous year's limited assurance audits.

A comparison of opinions across year is set out in the table below.

	Substantial		Reasonable		Limited		Unsatisfactory		Non Opinion		Total	Overall Opinion
24/25	**7**	**23.3%**	**14**	**46.7%**	**7**	**23.3%**	**0**	**0**	**2**	**6.7%**	**30**	**Reasonable**
23/24	3	9.7%	17	54.8%	8	25.8%	0	0%	3	9.7%	31	Limited
22/23	6	16.7%	22	61%	5	14%	0	0%	3	8.3%	36	Reasonable
21/22	6	17%	18	51%	6	17%	0	0%	5	14%	35	Reasonable
20/21	11	30%	14	38%	3	8%	0	0%	9	24%	37	Reasonable

Limited Assurance Assignment Opinions 2024/25

The table below sets out below the audits given limited assurance in the 2024/25 year and their impact to the overall opinion.

	AUDIT	RATING	Assessment (High, Medium, Low)
1	Nursing Management	Limited	M
2	Discharge Management	Limited	M
3	Bed Management	Limited	H
4	Data Quality	Limited	M
5	Mortuary (Joint with SBUHB)	Limited	M
6	Health & Safety	Limited	M
7	Cleanliness Standards	Limited	H

FOLLOW UP OF AGRRED ACTIONS

Limited Assurance audits from 2023/24 - Follow up and action tracker info & status	
Quality and Safety Governance Bronglais	Follow up in 2023/24 year and positive outcome on re-audit
NICE Guidance Arrangements	Re-audit in 2023/24 with positive outcome
Consultant Job Planning Follow Up	2024/25 re-audit good progress identified; reasonable assurance given
Discharge Management	2024/25 initial re-audit limited – further year end follow up audit undertaken which identified good progress with three of the four actions implemented.
Standards of Cleanliness	Re-audit planned in Q4 2024/25 – limited assurance - a number of issues raised particularly those from site visits made.
Decarbonisation	Positive Progress seen via tracker and verified – 1 action outstanding.
Estates Condition	Positive Progress seen via tracker and verified – 1 action remaining outstanding.
GGH Fire Precautions Scheme	Positive Progress seen via tracker and actions verified

Agreed Action Follow up from in year audits with High priority actions	
Bed management	One high priority action implemented; others are actively progressing.
Nursing management	Work still required to implement one high priority action.
Falls management	Work actively progressing to implement high priority action.
Speaking UP	High priority actions now implemented.

As part of formulating the opinion several other points of note are considered:

- The Internal Audit plan is prepared on the basis of a risk based planning approach, including areas that the UHB had specifically identified as known risks areas and areas of potential concerns. There was focus on areas of work linked to Escalated Status domains, challenges and governance arrangements.

- In the 2024/25 year the plan included a number of areas for re-audit, that have been previously allocated a limited assurance rating e.g. cleaning standards, discharge management and consultant job planning.

- The Plan was kept under review during the year through discussions with the Director of Corporate Governance, and updated to account for required changes including a further follow up/re-audit on the Limited Assurance review of Discharge Management and an audit looking at the progress of a sample of High Priory agreed actions.

- It is considered that the UHB has strong arrangements at a corporate level, and this is supported by outcomes from audits within the 2024/25 plan. However, arrangements across areas and services within the organisation show significant variation, with weaknesses frequently identified from an internal control, risk management and governance perspective.

- The UHB has robust arrangements in place for the tracking of agreed actions from Internal Audit reports. Progress with implementing agreed actions has also been included as a criteria for assessment within the internal directorate escalation arrangements. The outcomes from our additional follow up review of a sample of agree high priority actions highlighted good progress with implementation with just a small number of exceptions.

- Revised governance arrangements were implemented within the UHB to support managing the escalated status challenges.

- A revised Operational Structure and supporting governance arrangements are being implemented. It is noted however that these revised arrangements are going to have to play an important role in strengthening the internal control arrangements across the operational level of the organisation.

- The UHB has been de-escalated to level 3 for leadership and governance by Welsh Government.

- As part of our process we also consider the assurances available form audit work we have undertaken at the NHS Wales Shared Services Partnership and other NHS Bodies including DCHW and the JCC.

SUMMARY OF AUDIT OUTCOEMS BY RATING

Substantial Assurance	• Executive Team Governance • Performance Management • Digital Strategic Partner • Digital Benefits Realisation • Cash Management • Waiting List Management • CHC Database and Financial Processes
Reasonable Assurance	• Targeted Intervention Governance • Annual Planning • Financial Management • Job Planning • Emergency & Business Continuity Planning • Learning Lessons • Falls Management • Nurse Staffing Act • Capital Systems • Energy Management • Ultrasound Corporate Risk • Speaking up • WGH RAAC • Agreed action tracking arrangements and follow up
Limited Assurance	• Nursing Management • Discharge Management • Mortuary (joint SBUHB) • Data Quality / Use of Data • Bed Management • Health & Safety • Cleanliness
Unsatisfactory	N/A
Advisory/Non-Opinion	• Contract Management • Discharge Management agreed action tracking

Deferred Audits

As part of the process or developing the opinion we also consider any audit work deferred during the year. The table below sets out those audits and a note around rationale for deferral and any anticipated impact on the opinion. Four audits were deferred during the year, however three audits were added to the plan

Deferred audits	Notes
Medical Locums	Review arrangement for the control and management of the usage of medical locums. Included with 2025/26 plan as programme of work still in progress.
Managed Practices	Review the provision and management of managed practices. Included with 2025/26 plan to accommodate other work.
Revised operational governance arrangements	Review of the revised Directorate Governance Structures. Included with 2025/26 as structures were not implemented until April 2025.
Estates & Facilities Directorate	Review control and governance arrangements including rotas, staff management and Procurement. Included with 2025/26 plan as other internal work was scheduled within the directorate.

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The report is based on the review work undertaken and is not necessarily a complete statement of all weaknesses that exist or potential improvements. Whilst every care has been taken to ensure that the information provided in this report is as accurate as possible, no complete guarantee or warranty can be given with regard to the advice and information contained.

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5.3

11:15, 10 Mins

5.3 - Discharge Management Follow-up (Advisory Report)

James Johns (NWSSP - Internal Audit), Andrew Carruthers (Hywel Dda UHB - Chief Operating Officer), Peter Skitt (Hywel Dda UHB - Clinical Care Group Service Director - Community & Integrated Medicine), Anna Chiffi (Hywel Dda UHB - Assistant Director of Nursing, Patient Safety, Quality)

For assurance

Attachments

5.3 Discharge Mgmt Follow-up Final IA Report.pdf

Discharge Management (Follow Up)

Final Internal Audit Report

2024/25

Hywel Dda University Health Board

Contents

Executive Summary 1
Status of Previously Agreed Management Actions 2
Appendix A 4

Review Reference	HDU-2425-34
Fieldwork	May 2025
Executive Sign Off	3 June 2025
Audit Committee	June 2025
Executive Lead	Andrew Carruthers, Chief Operating Officer
Audit Team	James Johns, Head of Internal Audit
	Sophie Corbett, Deputy Head of Internal Audit

GIG CYMRU NHS WALES
Partneriaeth Cydwasanaethau
Gwasanaethau Archwilio a Sicrwydd
Shared Services Partnership
Audit and Assurance Services

Executive Summary

Purpose

The overall objective of this follow-up review was to assess the progress in implementing the actions agreed with management to address the issues identified in the previous Discharge Management audit (HDU-2425-13). This review focuses on progress made on the implementation of actions and is not a full re-audit of the topic area; therefore, an assurance rating has not been assigned.

Overview

The agreed management actions raised in the original Discharge Management report were reviewed and a summary of their status is noted in the table below:

Ref.	Matter Arising	Priority Rating	Implemented	Partially Implemented	Not Implemented
1	Discharge Policy and Toolkit	Medium	✓		
2	Discharge Provisions Across Counties	Medium	✓		
3	Frontier System	High	✓		
4	Documentation of Discharge Planning	High			✓

A review of supporting documentation confirmed the implementation of three matters arising in the previous internal audit report. A *Hospital Discharge Guidance* document has been produced that has adopted the Welsh Government guidelines, whilst a patient discharge information leaflet has been developed that unifies the discharge process across all sites of the organisation. Both documents have been uploaded onto a dedicated discharge SharePoint site for staff to access.

The Quality Improvement and Service Transformation (QIST) Team have implemented internal controls to ensure the accurate completion of patient discharge records on the Frontier system including the development of an audit work plan to review D2RA and board rounds across wards, regular feedback to sites of compliance against D2RA and completion of Frontier system. The QIST Team also identify hotspot areas that display poor compliance with D2RA and completion of Frontier and are contacted to arrange additional training for staff.

Further work is required as we again identified the continued lack of discharge information being fully recorded in the WNCR[1] system for a sample of patients discharged in April 2025.

Further details on each recommendation are provided below.

[1] Welsh Nursing Care Record

Status of Previously Agreed Management Actions

Ref	Original Key Finding	Original Responsibility & Timescale	Priority Rating	Status
1	**Discharge Policy and Toolkit** The Discharge Strategy Group felt that there was value in adopting national discharge guidance and developing a discharge toolkit that would be accessible via SharePoint to support operational staff in discharge processes. The existing policy was extended by six-months and a draft of the toolkit was planned for completion in December 2024.	Interim Assistant Director of Nursing 31 January 2025	**Medium Priority**	**Implemented** A *Hospital Discharge Guidance* document has been produced, that has adopted the Welsh Government guidelines, was submitted and approved by the Clinical Written Control Documentation Group on the 10 April 2025. In addition, the Hospital Discharge Toolkit has been developed bringing together tools, guidance documents and online resources to support employees and teams to ensure patients are discharged safely and timely. Both the document and toolkit are available to staff on the SharePoint site.
2	**Discharge Provisions Across Counties** Work is ongoing to develop a single discharge patient information leaflet to reflect the discharge process in place across the organisation following the streamlining and standardisation of the processes across the three counties. The target date for completion is December 2024.	Interim Assistant Director of Nursing 31 January 2025	**Medium Priority**	**Implemented** A patient discharge information leaflet has been produced to provide patients, relatives and unpaid carers with a step-by-step guide on the expected discharge processes that they'll encounter, including preparations for discharge and what happens on the day of discharge. The patient information leaflet has been uploaded onto the SharePoint site.
3	**Frontier System** Of the total 174 patients, 41 had not been assigned a simple/complex discharge status within 24 hours of arrival on the Frontier system. A detailed sample of 50 patients was tested and identified the following: • seven instances where the patients had not been allocated a D2RA pathway	Improvement and Transformation Lead 31 March 2025	**High Priority**	**Implemented** The Quality Improvement and Service Transformation (QIST) Team have also developed a work plan to review the implementation of D2RA within wards across the organisation. Concluding these visits, the QIST Team undertake regular D2RA pathway and board round audits that includes testing to ensure the D2RA pathway recorded on the ward PSAG[2] board accurately correlates to Frontier system.

[2] Patient status at a glance

Ref	Original Key Finding	Original Responsibility & Timescale	Priority Rating	Status
	• 15 instances where the D2RA pathway does not appear to match the patients' current medical situation • four instances were identified where an EDD had not been recorded			The QIST Team also provide feedback to sites and teams via a monthly 'Safe Hospital Care' presentation whereby site and individual ward compliance against D2RA and completion of Frontier system are detailed. The presentation highlights both the best and poorest performing wards are highlighted in addition to poor performing wards. The QIST Team on identifying a hotspot areas that is poorly performing in terms of recording D2RA compliance on the Frontier system are contacted and arrangements are made to provide additional training to staff.
4	**Documentation of Discharge Planning** Of the 100 patient records reviewed within WNCR, eight had partially completed discharge elements whilst 19 had not been completed. A sample of 20 patient manual medical notes were tested. A total of four files had been identified where there was limited discharge planning documentation evident of patient clinical file and the WNCR discharge section had been partially or not completed.	Interim Assistant Director of Nursing 31 March 2025	**High Priority**	**Not Implemented** No evidence was received by Internal Audit to support the implementation of the agreed management actions including (i) staff education and required compliance with the WNCR system following the development of the SharePoint site, and (2) a review of WNCR records for to ensure compliance with requirements. Testing was undertaken on a sample of 50 patients discharged from acute hospital sites during April 2025 to ensure the discharge element within the WNCR system has been fully completed. Concluding testing, we identified 34 out of the 50 sampled patients had a completed discharge element on their WNCR record, with high levels of compliance displayed for Withybush General Hospital patients.

Appendix A

Assurance Opinion

Substantial	Few matters require attention and are compliance or advisory in nature. **Low impact** on residual risk exposure.
Reasonable	Some matters require management attention in control design or compliance. **Low to moderate impact** on residual risk exposure until resolved.
Limited	More significant matters require management attention. **Moderate impact** on residual risk exposure until resolved.
Unsatisfactory	Action is required to address the whole control framework in this area. **High impact** on residual risk exposure until resolved.
Advisory	Given to reviews and support provided to management which form part of the internal audit plan, to which the assurance definitions are not appropriate. These reviews are still relevant to the evidence base upon which the overall opinion is formed.

Prioritisation of Findings

Priority	Explanation
High	Significant risk to achievement of a system objective OR evidence present of material loss, error, or misstatement. Poor system design OR widespread non-compliance.
Medium	Some risk to achievement of a system objective. Minor weakness in system design OR limited non-compliance.

Disclaimer

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The report is based on the review work undertaken and is not necessarily a complete statement of all weaknesses that exist or potential improvements. Whilst every care has been taken to ensure that the information provided in this report is as accurate as possible, no complete guarantee or warranty can be given with regard to the advice and information contained.

Our work does not provide absolute assurance that material errors, loss or fraud do not exist. Responsibility for a sound system of internal controls and the prevention and detection of fraud and other irregularities rests with management of the Hywel Dda University Health Board Work performed by internal audit should not be relied upon to identify all strengths and weaknesses in internal controls, or all circumstances of fraud or irregularity. Effective and timely implementation of recommendations is important for the development and maintenance of a reliable internal control system.

Public Sector Internal Audit Standards

Audit work undertaken by NHS Wales Audit and Assurance Services conforms with the International Standards for the Professional Practice of Internal Auditing and associated Public Sector Internal Audit Standards as validated through the external quality assessment undertaken by the Chartered Institute of Public Finance & Accountancy in April 2023.

Website: [Audit & Assurance Services - NHS Wales Shared Services Partnership]

5.4

11:25, 20 Mins

5.4 - Standards of Cleanliness (Limited Assurance)

James Johns (NWSSP - Internal Audit), Andrew Carruthers (Hywel Dda UHB - Chief Operating Officer), James Severs (Hywel Dda UHB - Executive Director of Allied Health Professions and Health Science), Simon Chiffi (Hywel Dda UHB - Head of Operations), Elin Brock (Hywel Dda UHB - Head of Research, Innovation & Improvement)

For assurance

Attachments

5.4 Standards of Cleanliness Final IA Report.pdf

Standards of Cleanliness

Final Internal Audit Report

2024/25

Hywel Dda University Health Board

Limited Assurance

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Review Reference	HDU-2425-11
Fieldwork	March - April 2025
Executive Sign Off	20 May 2025
Audit Committee	June 2025
Executive Lead	Andrew Carruthers, Chief Operating Officer
Audit Team	James Johns, Head of Internal Audit
	Sophie Corbett, Deputy Head of Internal Audit

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Gwasanaethau Archwilio a Sicrwydd
Shared Services Partnership
Audit and Assurance Services

Executive Summary

Purpose

The overall objective of this follow-up review was to assess progress in implementing the actions agreed with management to address the issues identified in the previous audit, including additional testing.

Overview

Some progress has been made in addressing the issues arising from the 2023/24 internal audit however a number of actions are ongoing with the associated risks not fully addressed. We have concluded **limited** assurance overall. The matters requiring management attention include:

- Governance groups are in place however reporting of Synbiotix scores to County IPC groups is inconsistent, with poor Facilities representation and some scheduled meetings did not take place
- Refresher training has only recently commenced and will take some time to complete
- Wider roll out of the pilot study for new working arrangements is ongoing
- Cleaning schedules are not in place for all wards/clinical areas with an inconsistent approach to completion and retention
- Frequency of cleaning audits is not always compliant with Standards or Policy and target scores are not being consistently achieved
- Operational Performance Delivery (Synbiotix) meetings have not been taking place monthly.

Full details of matters arising are detailed within the Findings & Agreed Action Plan.

Scope & Assurance Summary

Objectives (The objectives and associated assurance ratings are not necessarily given equal weighting when formulating the overall audit opinion.)		Related Findings	Assurance
1	There are clear governance arrangements and lines of accountability, including Executive responsibility and a multi-disciplinary scrutiny/review forum	1	**Reasonable**
2	Cleaning requirements are set out within operational policies and procedures and staff are adequately trained in relation to these	2, 3	**Reasonable**
3	Healthcare facilities are cleaned in accordance with Health Board cleaning schedules	4	**Limited**
4	Regular cleanliness audits are undertaken with compliance monitored and reported within the Health Board	5, 6	**Limited**

Management Actions

2 High Priority

4 Medium Priority

Themes

Risk Types

Quality or Safety Issues

Findings & Agreed Action Plan

Objective 1: There are clear governance arrangements and lines of accountability, including Executive responsibility and a multi-disciplinary scrutiny/review forum	Reasonable

Overview / Summary of Observations

The previous internal audit report (HDU-2324-11) identified opportunities to strengthen reporting to the operational governance groups and the need to evidence scrutiny of cleaning audits. Although clear governance arrangements and reporting lines are now in place, we noted instances of irregular reporting to County Infection Prevention groups (IPGs) which could potentially compromise assurance reporting through the governance structure.

County Infection Prevention groups (IPGs) are responsible for reviewing the status of the environment and effectiveness of facilities management services (including cleaning) and scrutiny of cleaning audits and report by exception to the Infection Prevention Strategic Steering Group (IPSSG). We noted that Synbiotix audit results are not consistently reported to county IPGs with a lack of attendance by a Soft Facilities representative at several meetings. We found instances of scheduled IPG meetings not taking place and some occasions where a meeting had gone ahead but there were no minutes. **[Finding 1]**

The IPSSG became a group of the Quality, Safety and Experience Sub Committee (QSESC) in September 2024 and the IPSSG TOR's have been reviewed and updated to reflect the new arrangement, however they are still in draft form and require formal approval, and this has been highlighted to management for action. A review of meeting papers confirmed there is evidence that updates on compliance with cleaning standards is monitored by the IPSSG with escalation through the Health Board's governance structure.

	Key Findings	Risk & Impact	Agreed Management Action
1	**Reporting to County Infection Prevention Groups** Cleaning audit results are not being consistently reported to County IPGs with scheduled meetings not taking place and poor attendance by Soft Facilities at several meetings. There was no Hotel Services representation at the PPH County IPG April or June 2024 meetings and scores were not presented. There was also no representation at the September 2024 meeting - scores were embedded in the agenda but there was limited evidence of scrutiny in the minutes. Hotel services staff did not attend the WGH County IPG meetings during December 2024, January 2025 or March 2025 however reports were embedded in the agendas for December and March but not for the January 2025 meeting. We found some instances of scheduled meetings not taking place and occasions where there were no minutes available (e.g. April, October and December 2024 PPH County IPG meetings). The BGH County IPG meetings did not take place in October or December 2024 or February 2025. The WGH October 2024 meeting did not take place.	Failure to adequately monitor compliance with the Standards to identify and address cleanliness issues Poor standards of cleanliness are not identified or addressed potentially resulting in negative patient experience, patient harm and reputational damage	**Agreed Action:** Review the governance for IPC to align with the new Clinical Care Group Structure, including a review of the terms of reference and reporting arrangements for the Environmental Hygiene Group. **Expected Evidence of Implementation:** Revised/approved governance structure Terms of reference and workplans for groups within the new structure Minutes of meetings demonstrating delivery of terms of reference including frequency of meetings and quoracy
	Theme: Governance	**Medium Priority** Control Operation	**Officer:** Sharon Daniel - Director of Nursing, Quality & Patient Experience **Target Implementation Date:** 31 October 2025

Objective 2: Cleaning requirements are set out within operational policies and procedures and staff are adequately trained in relation to these	Reasonable

Overview / Summary of Observations

A finding in the previous report noted that the Environmental Cleaning Policy needed reviewing and updating. We confirmed that the policy has been duly revised and was approved by the Clinical Written Control Documentation Group in March 2025 and that it is available to staff on the Health Board website.

The previous audit highlighted that training manuals varied in content across the sites and needed updating to reflect new processes and products. There was no central record of training compliance or dedicated staff to undertake training. Site visits during the audit confirmed a new standardised training manual has been ratified and is in use and there is a dedicated training supervisor tasked with delivering training at each site. The database of training records has been recently set up and domestic staff entered on the system. The training supervisors have begun delivering the cleaning tasks induction/refresher training and updating the database accordingly. However, this is a significant undertaking given the large number of domestic staff and as this process begun recently it is unlikely to be completed by the target date of April 2025 set last year. **[Finding 2]**

The previous internal audit reported on the pilot study at GGH where cleaning and catering duties were separated into two teams. This resulted in improved outcomes in the cleaning audits and levels of healthcare associated infections during the trial and we recommended wider roll out of the revised working arrangements. We sought to establish whether this has been actioned and established that approval for wider rollout has been given by the Operational Planning, Governance & Performance group. Discussions with staff and a review of meeting papers confirmed that a phased approach to implementing the new model of cleaning provision has begun with the practices having been reinstated at five wards at GGH and ten wards at PPH. The phased roll out is a key action in the Facilities Team Workforce Stabilisation Plan. **[Finding 3]**

Key Findings		Risk & Impact	Agreed Management Action
2	**Domestics Training** A central database of staff training has recently been set up and refresher training for staff has commenced however this will take some time to complete.	Staff are not appropriately trained, increasing the risk of poor standards of cleanliness, non-compliance with the Standards, negative patient experience/patient harm and reputational damage.	**Agreed Action:** Training compliance plans are being developed for each site, this will identify the training to be provided and timescales for achieving compliance. Compliance will be monitored through the Estates Facilities Care Group governance structures. **Expected Evidence of Implementation:** Training compliance plans and trajectory for achieving compliance Evidence of monitoring through Estates & Facilities CCG
		Medium Priority	**Officer:** James Severs, Director of Allied Health Professions & Health Science
	Theme: Training & Development	Control Operation	**Target Implementation Date:** 31 August 2025

3	**New Model of Cleaning Provision** The Organisational Change Process has commenced and the rollout is in the early stages. The revised working arrangements have been reinstated at a number of wards in GGH and PPH, and this is likely to take some time to fully roll out and embed.	The environment not being adequately cleaned leading to staff or patient harm	**Agreed Action:** A plan and trajectory for rolling out the new model of cleaning provision across all sites will be developed.
			Expected Evidence of Implementation: Plan and trajectory for implementation at each hospital site
		Medium Priority	**Officer:** James Severs, Director of Allied Health Professions & Health Science
	Theme: Planning, Delivery & Deadline Management	Control Operation	**Target Implementation Date:** 31 August 2025

Objective 3: Healthcare facilities are cleaned in accordance with Health Board cleaning schedules	Limited

Overview / Summary of Observations

The previous audit report recommended that, in line with Policy requirements, Service Level Agreements (SLA's) and Cleaning Schedules should be established for each ward/clinical area and that the format of cleaning schedules should be standardised across the Health Board to include cleaning tasks and frequency of completion.

We found that a standardised SLA has been formalised and individual SLA's were distributed to WGH and GGH Heads of Nursing for all very high-risk and high-risk areas in March 2025. We were advised that SLA's will continue to be drawn up to include significant risk, low risk and community areas.

We were advised at WGH and GGH that cleaning schedules ('job sheets') had been drawn up and distributed to wards, however ward visits and sample testing at both sites found that completed schedules are not consistently completed to confirm the tasks undertaken and retained as evidence. We visited seven wards at WGH where cleaning schedules should have been in use but did not find any that were being completed. A sample of seven wards at GGH revealed cleaning schedules had been completed at five areas, but only during the week or two prior to the audit visit.

We also found that where schedules had been completed, they were often inappropriately completed resulting in there not being an audit trail should an issue arise relating to cleaning standards or infection. This gap highlights the need for further training and reinforcement to ensure that all staff members understand the importance of adhering to and signing the schedules. **[Finding 4]**

Key Findings		Risk & Impact	Agreed Management Action
4	**Cleaning Schedules** We found limited use of cleaning schedules at wards in WGH and GGH, with documentation often incomplete or inappropriately completed.	The environment not being adequately cleaned leading to staff or patient harm Lack of evidence that cleaning tasks or daily inspections by supervisors are being undertaken	**Agreed Action:** Spot checks will be undertaken as part of the cleaning audit process to ensure compliance with the cleaning schedules. We will continue working towards a digital cleaning schedule for all wards on Synbiotix. **Expected Evidence of Implementation:** Cleaning audits evidence checking of cleaning schedule compliance Completed cleaning schedules
		High Priority	
	Theme: Quality, Safety & Patient Experience	Control Operation	**Officer:** James Severs, Director of Allied Health Professions & Health Science **Target Implementation Date:** 31 July 2025

Objective 4: Regular cleanliness audits are undertaken with compliance monitored and reported within the Health Board	Limited

Overview / Summary of Observations

The previous internal audit identified that not all wards/clinical areas had been transferred from the C4C system to Synbiotix. Discussions and a review of Synbiotix reports this year confirmed that for WGH and GGH very high, high, significant and low risk areas have been added along with some community sites.

At GGH very high-risk areas continue to be undertaken on a monthly rather than the recommended weekly basis. Furthermore high, significant and low risk areas are not being audited at the recommended frequencies - facilities staff advised us that this is due to challenges with supervisor staffing capacity. At WGH a dedicated auditing supervisor has been instated recently resulting in very high-risk audits taking place weekly since February 2025 and during this period significant and low risk areas have started to be audited again, although the frequency of the audits is not always compliant with Standards or Policy. It is anticipated that domestic workforce issues across the Health Board will be addressed by the Facilities Team Workforce Stabilisation Plan. **[Finding 5]**

We attended a Synbiotix audit at A&E GGH and observed a poor standard of cleanliness which was reflected in the overall score of 94.43%, the Domestic Cleaning Score was 89.16% (pass rate is 98%). No audits were undertaken at A&E during December 2024 and January 2025 and the area failed to achieve a pass score during the last 12 months.

We also attended an audit of the Front Hall reception area - a significant risk area with a pass rate of 85%. The audit achieved 91.79% overall but failed Domestic Cleaning with 81.08%. This audit was last undertaken in October 2024 (achieving a domestic pass rate of 86.6%), however not achieving the quarterly frequency stipulated for significant areas. The Male and Female WC's failed on several elements each despite the weekly toilet check sheet indicating that a supervisor had approved the facilities earlier in the day.

We accompanied the supervisor undertaking an ICU audit during our visit to WGH, this achieved an overall score of 92.21% (pass rate 98%), the domestic cleaning score was 94.71%. The area also failed six of the previous eight audits, however the area has been audited weekly since the beginning of February. **[Finding 5]**

The live Synbiotix dashboard is discussed at the monthly Operational Performance Delivery meetings chaired by the Head of Facilities (Estates) and attended by representatives from Estates and Facilities, however meetings did not take place during October, November and December 2024 or February and March 2025. We note that only very high and high-risk areas are included in the dashboards therefore there is no discussion of estates issues at significant and low risk areas. **[Finding 6]**

However, we were advised that the rolling three monthly Synbiotix audit report for each site for all risk level areas are now reported to the Environmental Hygiene Group meetings, attended by nursing, infection prevention, facilities and health & safety representatives. This report also goes to IPSSG for strategic scrutiny.

	Key Findings	Risk & Impact	Agreed Management Action
5	**Frequency of Audits and Audit Scores** At GGH very high-risk areas continue to be undertaken on a monthly rather than the recommended weekly basis. Very high-risk areas have begun to be audited weekly again at WGH but only since February 2025. Furthermore high, significant and low	Non-compliance with the Standards and Policy Poor standards of cleanliness are not identified or	**Agreed Action:** Following the successful trial of a designated auditing supervisor at PPH this is now being implemented at the other three acute hospital sites. New model of cleaning provision (see key finding 3) will seek to improve cleaning standards and audit scores.

	risk areas are not always being audited at the recommended frequencies at either site. A review of past audit scores and observations made during the cleaning audits attended highlighted that there are improvements required to be made in standards of cleanliness.	addressed potentially resulting in negative patient experience, patient harm and reputational damage	**Expected Evidence of Implementation:** Designated auditing supervisors in post at all acute hospital sites.
		High Priority	
	Theme: Quality, Safety & Patient Experience	Control Operation	**Officer:** James Severs - Director of Allied Health Professions & Health Science **Target Implementation Date:** 31 July 2025
6	**Operational Performance Delivery (Synbiotix) meetings** The live Synbiotix dashboard is discussed at the monthly Operational Performance Delivery meetings, however meetings did not take place during October, November and December 2024 or February and March 2025. There are no Terms of Reference for this group. Action notes lack a detailed account of discussions or conclusions reached during the meetings. We note that only very high and high-risk areas are included in the dashboards therefore there is no discussion of estates issues at significant and low risk areas.	Failure to adequately monitor compliance with the Standards to identify and address cleanliness issues Poor standards of cleanliness are not identified or addressed potentially resulting in negative patient experience, patient harm and reputational damage	**Agreed Action:** As per key finding 1, governance structures and reporting arrangements will be reviewed to align with the new CCG structure. We will seek to incorporate the role of the existing Synbiotix meetings into the Environmental Hygiene Group and include Estates representation on this group. This links to key finding 1 – review of the governance arrangements.
			Expected Evidence of Implementation: Revised governance structure / reporting arrangements Renewed terms of reference for the Environmental Hygiene Group Estates representation on the Environmental Hygiene Group
		Medium Priority	**Officer:** Sharon Daniel - Director of Nursing, Quality & Patient Experience / James Severs - Director of Allied Health Professions & Health Science
	Theme: Governance	Control Operation	**Target Implementation Date:** 31 October 2025

Appendix A

Assurance Opinion

	Substantial	Few matters require attention and are compliance or advisory in nature. **Low impact** on residual risk exposure.
	Reasonable	Some matters require management attention in control design or compliance. **Low to moderate impact** on residual risk exposure until resolved.
	Limited	More significant matters require management attention. **Moderate impact** on residual risk exposure until resolved.
	Unsatisfactory	Action is required to address the whole control framework in this area. **High impact** on residual risk exposure until resolved.
	Advisory	Given to reviews and support provided to management which form part of the internal audit plan, to which the assurance definitions are not appropriate. These reviews are still relevant to the evidence base upon which the overall opinion is formed.

Prioritisation of Findings

Priority	Explanation
High	Significant risk to achievement of a system objective OR evidence present of material loss, error, or misstatement. Poor system design OR widespread non-compliance.
Medium	Some risk to achievement of a system objective. Minor weakness in system design OR limited non-compliance.

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Website: [Audit & Assurance Services - NHS Wales Shared Services Partnership]

5.5

11:45, 5 Mins

5.5 - Reinforced Autoclaved Aerated Concrete (RAAC) – Withybush General Hospital (Reasonable Assurance)

James Johns (NWSSP - Internal Audit), Andrew Carruthers (Hywel Dda UHB - Chief Operating Officer), James Severs (Hywel Dda UHB - Executive Director of Allied Health Professions and Health Science), Julian Wheeler Jones (Hywel Dda UHB - Discretionary Capital Projects Manager)

For assurance

Attachments

5.5 WGH RAAC Final IA Report.pdf

Reinforced Autoclaved Aerated Concrete – Withybush General Hospital

Final Internal Audit Report

2024/25

Hywel Dda University Health Board

Reasonable Assurance

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Findings & Agreed Action Plan 6
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Review Reference	HDU-SSU-2425-29
Fieldwork	December 2024 – January 2025
Executive Sign Off	April 2025
Audit Committee	June 2025
Executive Lead	Andrew Carruthers, Director of Strategic Development and Operational Planning
Audit Team	Specialist Services Unit

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Executive Summary

Purpose

Reinforced Autoclaved Aerated Concrete (RAAC) is a form of lightweight concrete which was commonly used in construction between the 1950s and 1990s. It has only recently been identified as posing a significant risk to the structural integrity of buildings.

A specialist structural engineer was appointed by NHS Wales Shared Services Partnership (NWSSP) during 2022/23 to identify any immediate intervention works required at Withybush General Hospital (WGH) due to the deterioration of RAAC planks within multiple areas of the hospital.

A prior audit was undertaken of the initial mobilisation and early works for immediate interventions in Spring 2024, reporting substantial assurance.

The current audit sought to evaluate the arrangements in place to manage the project/programme of works to mitigate the ongoing risks associated with RAAC during 2024/25.

Overview

The issues raised at this report should be considered alongside the wider context and impact of the programme of works. The identification of RAAC necessitated a decision to declare an internal major incident (IMI), requiring the evacuation of affected wards in order to safeguard patients and staff. The Health Board has undertaken extensive measures to ensure that the risk posed by RAAC is as safe as it can be through the current work programme, re-inspection surveys, and established operating procedures. To mitigate the disruption, close liaison between clinical / operational services and the Estates and facilities teams has been required throughout the programme delivery. This contributed to the delivery of the works within its original programme and cost parameters.

At the time of reporting, the project had been delivered on time and under budget (including monies already returned to Welsh Government).

Noting the context of the successful delivery of this complex programme of works, **reasonable** assurance has been determined at this review following the assessment of the key delivery objectives and the governance, contractual and internal control arrangements applied to date. While some project control issues have been raised, it was clear that these had not impacted on overall delivery.

Matters requiring management attention included the need:

- for additional reporting narrative;
- to confirm the accuracy of in-house out-turn expenditures (in accordance with funding requirements); and
- to ensure provision of appropriate contractual safeguards (including post contract) e.g. Parent Company Guarantee.

Full details of matters arising are detailed within the Findings & Agreed Action Plan.

Scope & Assurance Summary

Objectives *The objectives and associated assurance ratings are not necessarily given equal weighting when formulating the overall audit opinion.*		Related Findings	Assurance
1	Project Performance – Assurance on the achievement of the project's key delivery objectives (time, cost, and quality).		**Substantial**
2	Validation of Management Actions - That previously agreed actions have been appropriately actioned by management		**Substantial**
3	Governance - Assurance that adequate governance arrangements were applied at the project, including e.g., project specific governance arrangements, integration with existing Health Board structures.		**Substantial**
4	Contracts – Assurance that appropriate arrangements were in place to define the contract strategy and that contracts were executed accordingly.	1	**Reasonable**
5	Technical Assurance - Assurance that effective arrangements were in place to oversee and manage individual projects in line with original plans and that regular updates were provided for any changes/slippage etc.	2, 3	**Reasonable**
6	Financial Assurance - Assurance that costs were agreed upon for finalised projects. Additionally, effective financial controls were in place for individual projects, including coordinating cash flows and the Capital Resource Limit allocations, with regular monitoring and reporting to highlight any under or overspend.	4, 5, 6	**Reasonable**

Management Actions

0 High Priority

6 Medium Priority

Themes

Risk Types

Financial Loss

Quality or Safety Issues

Legal & Regulatory Non-Compliance

Reinforced Autoclaved Aerated Concrete – Withybush General Hospital – At a Glance

During August 2023, a programme of surveys was undertaken at Withybush General Hospital (WGH) to determine the condition of concrete roof planks in ward areas at the hospital site in Haverfordwest. Following Welsh Government funding, emergency works commenced in 2023/24.

Cost

Welsh Government approved an overall funding envelope of £12.8m for expenditure from 2023/24 to 2024/25. Financial reporting monitored sums allocated to the 2023/24 and 2024/25 financial years individually. Utilising financial reporting to 13th December 2024 the audit was able to confirm the following position (forecast to project conclusion):

Table 1

Item	Approval £	Forecast Expenditure £	Variance £	Health Board Management Comments
Works	9,522,859	10,694,280	1,171,421	Contingency being utilised within construction cost
Non-works (incl. surveys), equipment and temporary kitchen	1,396,734	940,120	-456,614	Structural fees were initially included in non-works cost in the budget.
Fees	706,324	1,107,097	400,773	As above, structural fees should be captured in fees element.
In-house costs & Project Management[1]	406,719	496,000	89,281	Funded from Fees element of BJC. Not separated out in BJC (for 24/25)
Contingency	952,286	0	-952,286	£500k contingency was returned to WG for FY 24/25
Total (Excl. recoverable VAT)	**12,984,922**	**13,237,497**	**252,575**	
Recoverable VAT	-185,506	-938,081	-752,575	VAT Recovery was being utilised to offset the additional costs (£252,575 – above)
Total	12,799,416	12,299,416	-500,000	

[1] For 2024/25 the in-house costs budget was derived from the total 2024/25 fees budget pro-rata to the 2023/24 allocation (as agreed with finance) for this table.

At the time of the report, the programme remained within budget and in accordance with the initial funding approval. £500k of the projected under-spend was returned to Welsh Government in October 2024.

Time

Four contracts were in place for work being undertaken in 2024/25 – targeted to complete in March 2025. As of December 2024, progress was reported as follows:

Table 2

Milestone	***Contract Start Date***	***Contract End Date***	***Extensions of Time***	***Forecast/ Actual Completion***	***Forecast / Actual Delay*** *(months)*
Contract 1 – OPD A & Main Kitchen	29/01/2024	10/05/2024	26/06/2024	24/05/2024	-1
Contract 2 – OPD B	24/06/2024	06/12/2024	19/12/24	19/12/2024	0
Contract 3 – Other ground floor areas	29/06/2024	14/03/2025	-	28/02/2025	-0.5
Contract 4 – WGH & BGH Plant Rooms and OPD A and B Roofs	26/08/2024	20/12/2024	14/03/2025	14/03/2025	0
Overall	**29/01/2024**	**14/03/2025**	-	**14/03/2025**	**0**

While there has been variation in the delivery dates of individual contracts, the overall completion remains within contracted dates.

Welsh Government approval stipulated completion of all expenditure by 31st March 2025. As such, delivery was half a month within target.

Quality

The Health Board had directly appointed a Clerk of Works to undertake ongoing quality reviews of the work carried out by the appointed contractor. Following a recommendation at the prior audit, highlight reports were provided to the Project Board (Task & Finish Group) detailing progress and any issues arising. These were supported by detailed assessments published by the Clerk of Works. At the time of the audit, works for Contracts 1 - 3 had concluded, and a completion certificate had been issued for Contract 1 following inspection with no issues raised by the Clerk of Works.

The scheduled works and approved funding only cover remediation repairs to critical and high-risk planks. The lower risk (amber and green rated planks) are outside of the scope of the current programme and subject to periodic confirmation by re-inspection. In addition, the Health Board need to be mindful that as any further national research is undertaken on the management of RAAC planks this may require a change to the routine inspection processes. The regular inspections may be disruptive going forward and the Health Board have been advised by the specialist structural engineers that further deterioration of RAAC planks should be anticipated and therefore future costs may be incurred.

Noting the above, and as detailed within the **Contracts** section, Parent Company Guarantees were not in place, placing some works at risk in the event of any future issues arising at the completed remediation works.

Findings & Agreed Action Plan

Objective 1: Project Performance	**Substantial**

Overview / Summary of Observations

At a project audit, levels of assurance are determined on whether the project achieves its original key delivery objectives and that governance, risk management and internal control are effectively designed and applied.

At this audit, when assessing progress against the original delivery objectives (see also the *At A Glance* page), the project was forecast to deliver within its time and cost targets.

At the time of audit fieldwork, the Clerk of Works's reports confirmed effective on-going delivery of the works. However, as noted within the *Contracts* section, Parent Company Guarantees were not in place, placing the Health Board at some risk in the event of any future issues (latent defects etc.) arising at the completed works. However, at the time of audit all works had been reported as satisfactorily completed with no issues raised by the contract Clerk of Works.

Noting the above, substantial assurance has therefore been determined in respect of project performance and the achievement of the project's key delivery objectives (time, cost, and quality).

Objective 2: Validation of Management Actions	**Substantial**

Overview / Summary of Observations

This audit also found that agreed management actions arising from the prior audit had all been fully addressed i.e. that:

- Highlight reports should be provided to the task and finish groups associated with the activities of the Clerk of Works, with any pertinent issues highlighted;
- the Health Board should establish a risk reporting arrangement for the remaining elements of the RAAC programme that clearly interlinks with the Health Board's established risk management processes; and that
- the programme reporting arrangements should follow the established standardised approach to reporting within the Capital Sub-Committee papers.

Accordingly substantial assurance was determined in relation to the actions taken to address previously agreed management actions.

Objective 3: Governance	**Substantial**

Overview / Summary of Observations

A Project Board was in place with approved terms of reference. This was supported by a Finance Group including internal finance officers, external Quantity Surveyors and the Project Manager.

A Senior Responsible Officer (SRO), Project Director, and Project Manager were all in place. Both the Project Director and Project Manager attended the Project Board together with the Senior Operational Liaison Manager and senior estates officers. Stakeholder interests were therefore seen to be appropriately represented, and the Project Board included an appropriate range of expertise to scrutinise and oversee the project.

The Project Board reported to the Capital Sub-Committee who were also in receipt of Highlight reports , and also by exception to the Strategic Development and Operational Delivery Committee (SDOD). The former was attended by both the Project Manager and Project Director, with the latter being led by the Senior Responsible Officer. Accordingly, there was appropriate linkage to the Board.

Project Execution Plans were in place for each contract, including project specific contractual arrangements.

The Project Board was informed both by Highlight and financial reports, supported by risk registers and action logs (with designated task leads). Meetings also included project specific declarations of interest.

Objective 4: Contracts	**Reasonable**

Overview / Summary of Observations

Contractual arrangements were in accordance with the approved Contract Strategy (as authorised by both the Chief Executive Officer and Director of Finance).

Four construction contracts were put in place for the 2024/25 works (totalling £4,302,362.71 net of Health Board costs, adviser fees, and VAT). At the time of audit, contract variations had increased this sum to £4,814,273. All contractors were selected from the Health Board local construction framework - providing pre-vetted companies with market tendered rates. Pre-tender budget estimates were also utilised to inform value for money assessments. Utilising this framework potentially reduced long lead times associated with a traditional tendering route. All four contracts were executed in a timely manner (ahead of performance) and were approved in accordance with the Health Board's scheme of delegation.

Declarations of interest formed a standing agenda item at Project Board meetings, and so contract administration was independent from bias or external influence.

However, there were deficiencies in the inclusion and coverage of key documents i.e. the absence of Parent Company Guarantees.

In context, works had completed satisfactorily at the time of audit, with no issues identified by the contract Clerk of Works.

Key Findings		Risk & Impact	Agreed Management Action
1	**Contract inclusions** *Parent Company Guarantee* The works contracts required provision of a Parent Company Guarantee to safeguard the Health Board's interests in the event of insolvency of the subsidiary. The Health Board Framework defines this as the "*ultimate Holding Company*". The company providing Contract 2 (£1,083,434) was a wholly owned subsidiary of a Holding Company, however no Parent Company Guarantee was provided. It was asserted by the relevant company that as the Holding Company existed to administer shares in the subsidiary and did not trade, that a Parent Company Guarantee did not apply. However, the separation in legal entities mirror those of parent and subsidiary. Accordingly, there would be merit in obtaining legal advice as to the risks of this approach to accord with the Health Board aims of best safeguarding such risks. It is not proposed that specific management action is required in this instance, as the wider application of Parent Company Guarantees was raised and management action agreed at 2024/25 Capital Systems audit.	Appropriate contractual safeguards are not in place potentially resulting in financial loss.	**Agreed Management Action:** Being addressed via agreed management action at the November 2024 Capital Systems Audit Report i.e. that: "*Parental Guarantees will be requested from the Parent company of contractors where required by the contract or Health Board Standing Financial Instruments*". **Expected Evidence of Implementation:** As per November 2024 Capital Systems Audit i.e. that: "*Parent guarantees will have been requested and put in place as required by Health board Standing Financial Instructions*".
		Medium Priority	As stated at November 2024 Capital Systems Audit:
	Theme: Contractual	Control Operation	**Officer:** Discretionary Capital Projects Manager **Date:** Future projects

Objective 5: Technical assurance	**Reasonable**

Overview / Summary of Observations

A range of project management tools were operated to manage the works, including a clear project plan, project reporting, and a risk register for both Health Board and contractor risks.

The Health Board had established a corporate risk surrounding RAAC. Project risk registers were also utilised for each of the four contracts for the ongoing management of uncertainties within the project programme. These detailed both remaining contingency and quantified risks for each contract. However, these were generic in nature with limited reference to project specific risks. Summary reporting was provided to both the Project Board and the Capital Sub-Committee. While the overall (programme) risk and contingency position was not summarised, at the time of the audit reporting indicated the programme as being delivered to time and cost.

However, while there were also financial reports, there was no commentary on the time performance of individual projects.

It is recognised that due to the urgent nature of the works, the funding application was an estimate and the extent of work was only confirmed as invasive works commenced. In this context, it is recognised that reporting focussed on monitoring expenditure within allocated funding, rather than against the estimated budget headings. Additionally, while remit of the Cost Adviser reports did not include time commentary, Health Board reporting included narration of whether overall delivery remained on target (by 31st March 2025).

While noting this context, also recognising the extent of contract variations, while these were listed at individual project reports, the Project Board could have benefitted from an overall summary of issues to date.

	Key Findings	Risk & Impact	Agreed Management Action
2	**Reporting narrative** A range of reports were provided for the project including highlight reports, cash flow, risk registers, and cost reports. Recognising the emergency nature of the works, and the accelerated cost estimate and approval processes required to expedite the works, it is acknowledged that variances to budget estimation, monitoring and reporting arrangements (compared to traditionally let projects), have been applied. The Highlight reports provided overall summary of the programme delivery, supplemented by Cost Adviser reports listing contract variations and cost summary for each contract. Excepting overall cash flow, much of the supporting information was split between the various projects (separate risk registers, and contract reports). These formed an information pack both provided to the Project Team (and discussed with external advisers), and to the Project Board.	The Project Board may not be appropriately informed to control the projects.	**Agreed Management Action:** The RAAC project wasn't a usual project which required a bespoke report, the standard cost report covers full project cost reporting. Summary to be provided with all reports including where project details are discussed at length and in detail at regular review meetings. **Expected Evidence of Implementation:** Please see SARC report as evidence that this is implemented on other projects where meetings are only held generally monthly and not as regularly as occurred on RAACs.

	To ensure the Project Board is able to deliver its scrutiny role these could usefully have been supplemented at a programme level by additional supporting narrative and summary analysis e.g. • commentary on the variance to budgeted sums (recognising the unconventional nature of the project delivery); • assessment of remaining risks versus remaining client contingency; • an explanation of cash flow variances (e.g. as attributable to time or cost variances; • classification of contract variations (e.g. Health Board, contractor, statutory requirement, other); • any impacts of individual project time delivery (as distinct from overall programme delivery). In context, it is recognised that the overall programme was being delivered within expected time and cost parameters, and that this was the key message to convey at summary reporting of the overall programme.		
	Theme: Reporting	**Medium Priority** Control Operation	**Officer:** Discretionary Capital Projects Manager **Date:** Addressed as per SARC reporting
3	**Causality of works variations** From initial works contracts of £4.3m (excl. VAT for 2023/24), gross variations of £864k were reported at the time of audit (£512k net of provisional sums). Compliance with contract conditions and the management of variations was evidenced, together with the reporting of individual changes by project. It is recognised that the high level of variations (20%) may be attributed to the emergency works and design / specification requirements. There would be benefit in assessing the nature and origin of project variations as a part of a post project review, and inclusion of associated risks within the risk register / provisional sums (noting the potential for additional RAAC works following post project re-inspections).	Risk registers may not provide an effective project control.	**Agreed Management Action:** At the completion of the remaining re-inspections, we will assess the nature and origin of project variations as a part of a post project review (noting that re-inspections have not identified the need for any further work). **Expected Evidence of Implementation:** A post project review / lessons learnt report as informed by re-inspection reports.
	Theme: Risk Management	**Medium Priority** Control Operation	**Officer:** Project Director **Date:** March 2026

Objective 6: Financial assurance	**Reasonable**

Overview / Summary of Observations

Budget cost estimates were prepared in August 2023 as part of a Business Justification Case for RAAC works to inform required funding. Welsh Government approved funding totalling £12,800,000 (29th August 2023) – countersigned by the CEO and Director of Finance on the 31st August 2023 and 6th September 2023 respectively. Approved funding was therefore in place.

As at the *At a Glance* section, project estimates provided at short notice for emergency works were accurate (works out-turn being 4% within the estimate and forming the basis for estimation of the overall works).

Valuations were appropriately assessed against site progress, with detailed monitoring of the resultant cash flow (to accord with in-year Health Board Cash Resource Limits). Monthly Highlight Reports were produced summarising programme progress, as published to both the Project Board and Capital Sub-Committee. These were supported by Cost Reports and detailed monitoring for each project by Clerk of Works highlight reports (monitoring management of contract variations). Exception reporting detailed works progress and issues.

Noting the emergency nature of the works, it is recognised that budget classifications would not be as robust as otherwise. Accordingly, the focus was on in-year cash flow monitoring rather than overall variance reporting against budgeted sums.

However, while there was detailed in-year reporting, reconciliation between the various reports was difficult e.g. to determine out-turn against the £12.8m funding.

However, there was a need to confirm the accuracy of in-house out-turn costs in accordance with funding requirements to demonstrate that both in-house costs and additional works related wholly to RAAC.

At the time of the audit fieldwork and issue of the Draft Report, there was a need to confirm retention of the programme under-spend. This had subsequently been addressed.

At the current stage of the programme, the risks / impacts of these matters are not considered material to the delivery of the project.

The issues raised should be considered within the post project review / lessons learnt.

Key Findings		Risk & Impact	Agreed Management Action
4	**Out-turn reporting** Individual project reports showed forecast out-turn to budget for each project. Reporting for the overall programme was monitored against in-year CRL allocations (Capital Resource Limit) rather than against the total approved £12.8m funding (and associated budget heads).	The Project Board may not be appropriately informed to manage project finance.	**Agreed Management Action:** The RAAC project wasn't a usual project which required a bespoke report, the standard cost report covers full project cost reporting. We will look to ensure appropriate reporting against the approved budget at future projects as applicable.

	While there was clarity at programme Highlight reporting that overall delivery would be within budget, this was not supported by a high level out-turn summary of overall costs against approved budget allocations.	Inability to scrutinise project costs.	**Expected Evidence of Implementation:** Reporting against the approved budget at future projects. Please see SARC report as evidence of standard reporting.
		Medium Priority	**Officer:** Discretionary Capital Projects Manager
	Theme: Reporting	Control Operation	**Date:** Actioned
5	**Internal staff costs** Welsh Government approved £12.8m "*solely for the purposes*" of mitigation of risks associated with RAAC, to "*be claimed in full by 31st March 2025".* The funding approval indicated that a sum of circa £400k was to be spent on in-house costs and project management (see ***Table 1***). This estimated requirement was stated to be based on 2.5% of works cost, and reflective of commercial charges (the Health Board advised that this was as compared to a standard commercial rate of 10.5% applied for full in-house management). Out-turn reports indicated £496k of expenditure attributable to in-house costs and project management. However, supporting time-sheets were not available for the majority of this expenditure. Management advised that the out-turn costs for this element were based on historic analysis of actual costs at other Health Board schemes.	Expenditure may be in breach of funding conditions and therefore repayable.	**Agreed Management Action:** We will look to undertake an approximate reconciliation of the in-house charges incurred at this project, to confirm actual expenditures.
			Expected Evidence of Implementation: In-house cost reconciliation.
		Medium Priority	**Officer:** Discretionary Capital Projects Manager
	Theme: Approvals	Control Operation	**Date:** June 2025
6	**VAT reclaim** Welsh Government funding approval requires declaration of any un-spent funding. Noting the urgent nature of the project, the Health Board included an estimated VAT reclaim of £185k. Further to ***Table 1,*** the Health Board have confirmed (as of 23rd April 2025) the forecast final account as providing a £756k underspend. This includes a projected final VAT reclaim of £897k. This effectively contributes to an anticipated net under-spend of £44k i.e.	Expenditure may be in breach of funding conditions.	**Agreed Management Action:** The full under-spend of £756k has now been declared to Welsh Government who have adjusted the Health Board's Capital Resource Limit (CRL) allocation for 2024/25 accordingly.
			Expected Evidence of Implementation: Correspondence with Welsh Government provided to audit.

Item	Total £'000s	Includes VAT recovery of £'000s	Difference £'000s
Budget	12,800	185	
Out-turn	12,044	897	
Under-spend	**756**	**712**	44

Typically, VAT reclaimed cannot be retained without Welsh Government approval.

Management had made request to Welsh Government in March 2024 to retain VAT reclaim as an offset to projected cost increases (subject to confirmation of final outcome / VAT).

Medium Priority

Officer: Senior Finance Partner, Planning & Major Projects

Date: Actioned since issue of the Draft Report

Theme: Finance Management & Control

Control Operation

Appendix A

Assurance Opinion

Substantial

Few matters require attention and are compliance or advisory in nature.

Low impact on residual risk exposure.

Reasonable

Some matters require management attention in control design or compliance.

Low to moderate impact on residual risk exposure until resolved.

Limited

More significant matters require management attention.

Moderate impact on residual risk exposure until resolved.

Unsatisfactory

Action is required to address the whole control framework in this area.

High impact on residual risk exposure until resolved.

Advisory

Given to reviews and support provided to management which form part of the internal audit plan, to which the assurance definitions are not appropriate.

These reviews are still relevant to the evidence base upon which the overall opinion is formed.

Prioritisation of Findings

Priority	Explanation
High	Significant risk to achievement of a system objective OR evidence present of material loss, error, or misstatement. Poor system design OR widespread non-compliance.
Medium	Some risk to achievement of a system objective. Minor weakness in system design OR limited non-compliance.

Disclaimer

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The report is based on the review work undertaken and is not necessarily a complete statement of all weaknesses that exist or potential improvements. Whilst every care has been taken to ensure that the information provided in this report is as accurate as possible, no complete guarantee or warranty can be given with regard to the advice and information contained.

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Website: [Audit & Assurance Services - NHS Wales Shared Services Partnership]

5.6

11:50, 5 Mins

5.6 - Continuing Health Care – Database Maintenance and Finance Processes (Substantial Assurance)

James Johns (NWSSP - Internal Audit), Huw Thomas (Hywel Dda UHB - Director of Finance)

For assurance

Attachments

5.6 CHC Database Maintenance Finance Processes Final IA Report.pdf

Continuing Healthcare – Database Maintenance & Finance Processes

Final Internal Audit Report

2024/25

Hywel Dda University Health Board

Substantial Assurance

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Review Reference	HDU-2425-33
Fieldwork	April - May 2025
Executive Sign Off	11 June 2025
Audit Committee	June 2025
Executive Lead	Huw Thomas, Director of Finance
Audit Team	James Johns, Head of Internal Audit
	Sophie Corbett, Deputy Head of Internal Audit

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Gwasanaethau Archwilio a Sicrwydd
Shared Services Partnership
Audit and Assurance Services

Executive Summary

Purpose

A limited scope review of the arrangements in place for maintaining and updating the All-Wales National Complex Care Database, and subsequent accounting and forecasting processes.

Overview

We have concluded **Substantial** assurance on this area. The systems and processes in place for updating NCCD, calculating accruals and financial forecasts are robust. Our sample testing identified no issues with the timeliness and accuracy of updates to NCCD to reflect new/updated packages of care and the receipt of invoices from local authorities and care providers. However, we identified one matter requiring management attention relating to:

- late receipt of invoices from local authorities potentially impacting on cash flow

Full details of matters arising are detailed within the Findings & Agreed Action Plan.

Scope & Assurance Summary

Objectives (The objectives and associated assurance ratings are not necessarily given equal weighting when formulating the overall audit opinion.)		Related Findings	Assurance
1	The National Complex Care Database is accurately maintained and updated in a timely manner to reflect new packages of care and any changes to existing packages.	-	**Substantial**
2	Associated accounting and forecasting processes are based on current packages of care as per the NCCD, with appropriate adjustments for new and updated packages.	1	**Substantial**

Management Actions

0 High Priority

1 Medium Priority

Themes

Risk Types

Financial Loss

Findings & Agreed Action Plan

Objective 1: The National Complex Care Database is accurately maintained and updated in a timely manner to reflect new packages of care and any changes to existing packages	**Substantial**

Overview / Summary of Observations

The process maintaining the NCCD is not formally documented although a video guide demonstrating how to enter information onto the NCCD is available and considered useful.

The timeliness of local authorities and clinical teams communicating changes to care packages to the CHC teams is critical for ensuring that the NCCD is up to date and feeding accurately into finance processes. The eligibility and quality assurance panels for Long Term Care and Mental health & Learning Disabilities meet every Tuesday to consider and approve/reject new and amended care packages. Decisions are recorded on spreadsheets and made available to the respective Nursing Finance Officers usually within two working days to update the NCCD.

Sample testing of 16 new and amended care packages approved by the respective panels found that the NCCD had been updated promptly and accurately.

Objective 2: Associated accounting and forecasting processes are based on current packages of care as per the NCCD, with appropriate adjustments for new and updated packages	**Substantial**

Overview / Summary of Observations

The Core Accounting Team is responsible for the processing of accruals and the preparation of forecasts and the CHC month end positions. Comprehensive guidance is available to support these processes.

Due to limitations of the NCCD system the finance and accounting processes are reliant on complex (albeit well designed) spreadsheets and requires manual data manipulation which carries an element of inherent risk. This risk is highlighted for management information with no finding raised, recognising that the NCCD is a national mandatory system and the health board has reasonable completeness and accuracy checks in place to mitigate the risk.

Accruals

Accruals are calculated as the difference between year-to-date package costs and invoices received, as per NCCD. Accruals journals are posted into Oracle as 'reversing journals' and so the system auto reverses the posting when month end is run. A new accrual is created as part of the monthly accruals process for any prior period package costs not yet invoiced.

Sample testing of 16 invoices confirmed that all had been promptly and accurately entered onto NCCD following receipt. However, the CHC teams highlighted issues with the timeliness of invoices received from local authorities and our sample testing corroborated this. Whilst there is no impact on the financial position due to accruals, there is a potential impact on the Health Board's cash flow. **[Finding 1]**

Forecasting

A walk through was carried out with the Assistant Head of Core Accounting to fully understand the mechanics of how the forecast is derived. Information on active packages of care is extracted from NCCD into the forecasting spreadsheet which is engineered to take account of new packages, ceased packages and changes to package costs so that the forecast is as accurate as possible. Anticipated new and amended packages that are not yet approved are also monitored via the Risks & Opportunities spreadsheet to enable early identification of any unusual significant increases in CHC costs. The monthly net impact for January – April 2025 did not exceed £12k.

Key Findings		Risk & Impact	Agreed Management Action
1	**Late Invoices from Local Authorities** Sample testing identified three invoices received from: • Pembrokeshire County Council in February 25 relating to the period January to April 2022 • Carmarthenshire County Council in August 24 relating to the period June 2022 to March 2024 • Ceredigion County Council in October 2024 relating to August 2024. We sighted evidence of ongoing dialogue with Pembrokeshire County Council to address this issue with subsequent escalation to the Health Board's Director of Finance, the same is needed for Carmarthenshire and Ceredigion County Councils.	Potential negative impact on the Health Boards cashflow.	**Agreed Action:** Undertake period (monthly) reviews of supplier statements to ensure all invoices are raised and processed by local authority partners in a timely manner, implementing service level agreements where appropriate to ensure regular invoicing of packages occurs. **Expected Evidence of Implementation:** Review will be undertaken and evidenced as part of the monthly balance sheet process, highlighting discrepancies to local authority partners as required for any aged packages where invoices are not received on an ongoing basis.
		Medium Priority	**Officer:** Assistant Finance Business Partner - CHC **Target Implementation Date:** 01/10/2025
	Theme: Finance Management & Control	Control Operation	

Appendix A

Assurance Opinion

Substantial

Few matters require attention and are compliance or advisory in nature.

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Reasonable

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Prioritisation of Findings

Priority	Explanation
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Medium	Some risk to achievement of a system objective. Minor weakness in system design OR limited non-compliance.

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Website: [Audit & Assurance Services - NHS Wales Shared Services Partnership]

5.7

11:55, 10 Mins

5.7 - Contract Management (Advisory Report)

James Johns (NWSSP - Internal Audit), Huw Thomas (Hywel Dda UHB - Director of Finance)

For assurance

Attachments

5.7 Contract Management Final IA Report.pdf

Contract Management

Advisory Report

2024/25

Hywel Dda University Health Board

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Review Reference	HDU-2425-06
Fieldwork	March 2025 – May 2025
Executive Sign Off	3 June 2025
Audit Committee	June 2025
Executive Lead	Huw Thomas, Director of Finance
Audit Team	James Johns, Head of Internal Audit
	Sophie Corbett, Deputy Head of Internal Audit

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Audit and Assurance Services

Executive Summary

Purpose

The review assessed whether appropriate contract management arrangements were in place within Hywel Dda University Health Board (HDUHB). This review has been undertaken further to the advisory review of Contract and Procurement at Betsi Cadwaladr University Health Board (BCUHB), completed at the request of Welsh Government in 2023/24, which identified several areas of concern and non-compliance with the organisations Standing Financial Instructions. Through inclusion within NHS Wales Organisations 2024/25 Internal Audit plans, this review has compared and contrasted the appropriateness of contract management arrangements across eight more organisations, with common issues and challenges noted.

An assurance rating has not been applied to this review, recognising the consistency of approach with the BCUHB review, and that actions raised will need to be taken forward in partnership with other NHS Wales organisations, including NWSSP Procurement Services. These actions, alongside those specific to the organisation, are aimed at improving and/or enhancing expected controls in contract management arrangements.

Overview

In the absence of a HDUHB contracts register, sample testing was based on Electronic Contract Management (ECM) module of the Bravo e-tendering system. Contract selection was undertaken to ensure consistency with similar reviews undertaken at a number of NHS Wales organisations. All Wales Contracts were excluded from our sample; in addition to Capital and Estates contracts noting separate Capital Systems reviews have been undertaken by our Specialist Services Unit (SSU) at a number of NHS organisations as part of the 2024/25 Internal Audit Plan – the coverage of which has also included contract management.

The following actions have been identified for management attention across all reviews completed:

- The need for consistent contract management procedures to support the requirements of the Standing Financial Instructions;
- Comprehensive contract registers were not in place;
- A mechanism to determine the capacity and support needed to meet existing and future contract monitoring requirements, with appropriate training provision;
- Responsibility for contract management should be formally assigned and accepted;
- Variations in the formality of contract management, performance reporting, and documentation, which indicates a level of inherent risk which could be addressed by increasing the robustness of the control environment; and
- The minimum internal reporting, accountability and escalation requirements should be considered and defined at the outset of contracts.

The Health Board should ensure appropriate arrangements are in place to engage with wider NHS Wales organisations in developing a coordinated agreed action plan via the Directors of Finance forum (or other appropriate forum) to address the common themes and issues identified within this and corresponding reports.

Scope & Actions Summary

Objectives		Related Actions
1	There is a clear framework of policies, procedures and processes for contract management, with roles and responsibilities clearly defined.	1
2	Contract registers are used as the basis for effective contract management and procurement planning.	2
3	Contract managers have access to relevant training and development.	3, 4
4	Service levels/deliverables are specified in the contract, with standard terms and conditions applied, and are linked to service needs and monitored by the assigned contract manager/end user.	5
5	Contract performance and risk is reported and managed within the organisation's governance structure.	6

Management Actions

6

Themes

Risk Types

Public Perception & Reputational Risk

Financial Loss

Quality or Safety Issues

Legal & Regulatory Non-Compliance

Findings & Agreed Actions

Objective 1: There is a clear framework of policies, procedures and processes for contract management, with roles and responsibilities clearly defined.

The Health Board's Standing Financial Instructions (SFIs) includes a section on contract management. Section 11.16.1 outlines the relevant budget holder is responsible for overseeing and managing each contract on behalf of the organisation to ensure that implicit obligations are met. This includes:

- *Retaining accurate records;*
- *Monitoring contract performance measures;*
- *Engaging suppliers to ensure performance delivery;*
- *Implementing contractual sanctions in the event of poor performance in conjunction with advice from Procurement Services; and*
- *Permitting stage payments as part of a formally agreed implementation/delivery plan which must be supported by written evidence issued by the budget holder.*

In addition to the above, there is an all-Wales Procurement e-manual, which contains high-level contract management guidance, available via the Oracle system home page. In discussion with staff, this document is not a regular point of reference.

The majority of NHS organisations reviewed did not have local contract management guidance in place. One exception was Aneurin Bevan University Health Board which has a Contract Management Financial Control Procedure (FCP) developed in conjunction with their local NWSSP Procurement team. The FCP outlines roles and responsibilities for contract management, requiring designated contract managers to complete standardised 'Contract Management Plans' for contracts over £100,000 in value.

Wider dissemination of the content from the FCP was discussed at the NWSSP Heads of Procurement meeting in February 2025, and there was support for its further roll out across other NHS Wales organisations. An NWSSP Contract Management Procedure has been developed, based on the FCP, and this was in the process of being shared with NHS Wales organisations at the time of reporting. **[Action 1]**

Action 1: Contract Management Procedures

Local implementation of the NWSSP Contract Management Procedure.

Objective 2: Contract registers are used as the basis for effective contract management and procurement planning.

A contract register is important, as it provides:

- Contract Tracking: to track important dates, such as start and end dates, renewal periods, and milestones associated with each contract.
- Compliance and Risk Management: to ensure that the organisation stays compliant with contract terms and legal requirements; and help identify any potential risks by keeping a record of contract clauses, obligations, and renewal terms.
- Audit Trail: provided for each contract, including amendments and performance evaluations. This makes it easier to track changes and decisions related to a contract.
- Centralised Repository: allowing easier access for teams like legal, procurement, and finance when they need to refer to specific terms, obligations, or other contract details.
- Improved Communication: enhances communication across departments, as everyone involved can refer to the register to ensure that they are aware of their obligations and responsibilities under various contracts.
- Budget and Financial Tracking: for financial management to track contract values, payment terms; and other financial aspects to ensure proper budgeting and forecasting.

The Social Partnership and Public Procurement (Wales) Act 2023 includes that a contracting authority must create, maintain, and publish a contract register.

A contract register is maintained for Service Level Agreements (SLAs) and Long-Term Agreements (LTAs) within the Healthcare Contracting function. However, there is no organisation-wide contract register in place, instead reliance is placed on information held in the ECM module of the Bravo e-Tendering system. However, our sample testing highlighted that this is not a reliable source with incomplete and/or out of date information. This has been highlighted in previous internal audit reviews of Procurement Services. Whilst it is acknowledged that contract awards are reported by procurement to the Hywel Dda University Health Board and Audit & Risk Assurance Committee meetings, a central contract register would provide oversight of active contracts and assurance that responsible officers have been identified to manage them. **[Action 2]**

Action 2: Contracts register

Establish a formal, comprehensive, organisation-wide contract register to systematically record and manage all contract records and associated information.

Objective 3: Contract managers have access to relevant training and development.

This audit, and similar reviews at other NHS Wales Organisations, observed that the contract management was undertaken by combination of:

- dedicated contract managers;
- to fulfil an existing element of a job description / role; and
- as an unspecified additional responsibility.

The demands on staff was dependent on the specific performance monitoring requirements of the contract and varied significantly.

For the sampled contracts, there was no evidence of an assessment of the capacity / capability requirements to fulfil the role and / or the identification of any training requirements to address any gaps. Similarly, no specific contract management training had been provided to the individuals responsible for the sampled contracts. **[Actions 3 & 4]**

The Health Board SFIs include within Section 11.16.3 that 'Advice on best practice on Contract Management is available from NWSSP Procurement Services'. As per objective one, staff contacted through fieldwork did not have awareness of the NWSSP Procurement e-manual, which contains contract management guidance.

Action 3: Training Needs Analysis

A mechanism should be established to ensure senior managers identify any specific training requirements to support operational contract management – reflecting the capacity / capability of individuals and requirements of the specific contracts.

Action 4: Training provision

The Health Board should engage with other NHS Wales Organisations to develop contract management training, to ensure staff are equipped with the tools and skills to manage the key stages and lifespan of contracts.

Objective 4: Service levels/deliverables are specified in the contract, with standard terms and conditions applied, and are linked to service needs and monitored by the assigned contract manager/end user.

Hywel Dda University Health Boards Standing Financial Instructions (11.6.1) require that "*The relevant budget holder, shall oversee and manage each contract on behalf of the LHB so as to ensure that these implicit obligations are met*."

A sample of eight contracts was selected from the contract management module of the Bravo e-tendering system, this was undertaken in conjunction with reviews taking place at other NHS Wales organisations to provide consistency of service/contract type where possible. Common themes across these reviews have been identified which will need a consistent approach to be addressed on an all-Wales basis, in conjunction with NWSSP Procurement Services.

Evidence from contract managers demonstrated ongoing contract management and operational understanding of the requirements of such, where exceptions have been identified below, these were accompanied by mitigations.

Through discussion with contract managers and review of documentation we identified the following:

Designated responsible officer/contract ownership - Whilst the audit was directed to certain individuals for the sampled contracts for the audit, not all individuals had been formally assigned responsibility for contract monitoring - with one having had no prior involvement within the tendering process, which could impact on the understanding of the expectations of the role **[Action 5]**. Three of the eight contract managers were not the individual/contract lead listed within the Bravo e-tendering system report.

The recording of Senior Responsible Officer and budget holder within contract documentation varied in the documentation reviewed and this, alongside the differences in the contract lead recorded within Bravo, indicates a need for the organisation to establish a corporate contract register and ensure this is updated to reflect changes in contract responsibility **[Action 2]**.

Contract documentation On four occasions the contract lead did not hold a copy of the contract, with the contract only available through NWSSP Procurement Services records. Without having sight of the contract, the contract manager may lack awareness of the specific service requirements and obligations and failure to properly manager delivery of the contract. **[Action 5]**

We also identified instances where contract documentation had not been fully signed: **[Action 5]**

- The Insourcing Dermatology Procedures contract has been signed by the supplier but not the Health Board.
- A contract variation for Dental Services had not been signed by the supplier or the Health Board.

Contract deliverables/performance measures - Review of contract documentation established that agreed and defined service deliverables were in place for all eight contracts tested. All eight contract leads were involved in identifying and developing the initial service requirements and/or possessed a copy of the contract, which encompass the necessary service levels, deliverables, and expectations of the suppliers.

The contract and supporting documentation for the eight contracts sampled outlined the specific purpose and service requirements for the area. The documentation clearly defined the service levels, deliverables, outputs, expectations, key performance indicators and contract management arrangements. Specified deliverables demonstrate that they are suitable for addressing and fulfilling the identified service needs. Discussions with contract leads confirmed their satisfaction with the supplier performance, indicating that the supplier is meeting both the service needs and contract specification.

Contract management/monitoring – Contract management and performance monitoring is being undertaken to varying extents for all eight sampled contracts. However, the following issues were identified: **[Action 5]**

- Limited evidence to demonstrate that regular meetings are being held with suppliers (Dental Services, Insourcing Dermatology, Insourcing T&O, Blood Transfusion Services)
- Instances where performance reports and other metrics due from the supplier, as stipulated in the contracts, have not been received by the Health Board (Autism Diagnostic Assessments, Insourcing Dermatology, Insourcing T&O)
  One instance where KPIs have not yet been agreed between the Health Board and supplier, as stipulated in the contract which commenced April 2024.

Action 5: Contract Ownership, Documentation and Management

The Health Board should ensure that contract managers are aware of their responsibilities as required by the SFIs. This should include reiterating the need to retain full and accurate records in support of contract ownership, contract documentation, and monitoring of contract performance.

Objective 5: Contract performance and risk is reported and managed within the Health Board's governance structure.

The SFIs relating to contract management (section 11.6) does not provide information on the expected minimum reporting, accountability and escalation arrangements in relation to contracts.

The audit observed varying approaches to monitoring arrangements, with most individuals with responsibility for contract monitoring outlining that escalation reporting was exception based. There was evidence of formal reporting and governance structures for five contracts however, the reporting routes for escalation were not clearly documented for all contracts within our sample with no criteria to guide circumstances where this should occur. The expected internal monitoring / reporting arrangements should be defined at the outset of the contract – cognisant of the risk, value, complexity and strategic importance of the contract. **[Action 6]**

Action 6: Reporting, Escalation and Risk Management Arrangements

Expected internal monitoring / reporting arrangements should be defined at the outset of the contract – cognisant of the risk, value, complexity and strategic importance of the contract.

Minimum requirements could be defined within the contract management procedure **[Action 1]**, with any divergence subject to appropriate approval.

Discussion with contract managers confirmed that they were aware of operational risks related to non-delivery of contracts, however we did not identify formal risk management practices relating to contract risk.

A Commissioning and Contract Management Group is being established - terms of reference (TOR) were under development at the time of our review. The primary remit for the group will be the oversight and management of commissioning contracts.

The Hywel Dda University Health Board meeting also receives an update on procurement activity at most meetings. This includes the number of in-process and awarded contracts, alongside the number of times SFIs have been waived with explanatory notes to support their use but does not extend to assurance in relation to the ongoing management of contracts. In developing a corporate contract register, there will be the ability to provide regular assurance that contracts are managed appropriately, with exceptions identified and proportionate actions undertaken where required.

Appendix A: Assurance Opinion & Prioritisation of Findings

Assurance Opinion

Substantial	Few matters require attention and are compliance or advisory in nature. **Low impact** on residual risk exposure.
Reasonable	Some matters require management attention in control design or compliance. **Low to moderate impact** on residual risk exposure until resolved.
Limited	More significant matters require management attention. **Moderate impact** on residual risk exposure until resolved.
Unsatisfactory	Action is required to address the whole control framework in this area. **High impact** on residual risk exposure until resolved.
Advisory	Given to reviews and support provided to management which form part of the internal audit plan, to which the assurance definitions are not appropriate. These reviews are still relevant to the evidence base upon which the overall opinion is formed.

Prioritisation of Findings

Priority	Explanation
High	Significant risk to achievement of a system objective OR evidence present of material loss, error, or misstatement. Poor system design OR widespread non-compliance.
Medium	Some risk to achievement of a system objective. Minor weakness in system design OR limited non-compliance.

Disclaimer

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Audit reports are prepared by the staff of the NHS Wales Audit and Assurance Services and addressed to Independent Members or officers including those designated as Accountable Officer. They are prepared for the sole use of Hywel Dda University Health Board and no responsibility is taken by the Audit and Assurance Services Internal Auditors to any director or officer in their individual capacity, or to any third party.

The report is based on the review work undertaken and is not necessarily a complete statement of all weaknesses that exist or potential improvements. Whilst every care has been taken to ensure that the information provided in this report is as accurate as possible, no complete guarantee or warranty can be given with regard to the advice and information contained.

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Public Sector Internal Audit Standards

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Website: [Audit & Assurance Services - NHS Wales Shared Services Partnership]

5.8

12:05, 5 Mins

5.8 - Follow Up Review (Reasonable Assurance)

James Johns (NWSSP - Internal Audit), Joanne Wilson (Hywel Dda UHB - Director of Corporate Governance/Board Secretary), Charlotte Wilmshurst (Hywel Dda Health Board - Assistant Director of Assurance and Risk)

For assurance

Attachments

5.8 Follow Up Review Final IA Report.pdf

Follow Up Review

Final Internal Audit Report

2024/25

Hywel Dda University Health Board

Reasonable Assurance

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Review Reference	HDU-2425-36
Fieldwork	April – May 2025
Executive Sign Off	3 June 2025
Audit Committee	June 2025
Executive Lead	Joanne Wilson, Director of Corporate Governance
Audit Team	James Johns, Head of Internal Audit
	Sophie Corbett, Deputy Head of Internal Audit

GIG CYMRU NHS WALES
Partneriaeth Cydwasanaethau
Gwasanaethau Archwilio a Sicrwydd
Shared Services Partnership
Audit and Assurance Services

Executive Summary

Purpose

To provide assurance on the status of implemented recommendations on the audit tracker and review the systems and arrangements the Health Board has in place to monitor progress with the implementation of actions.

The scope of this follow-up review does not provide assurance against the full scope and objectives of the original audits or that the matters arising to which they relate have been fully closed. The follow-up review opinion provides assurance against the level of implementation of the recommendations reviewed only.

Overview

The Health Board have established arrangements to track progress in relation to audit findings that is monitored by the Assurance and Risk Team through the Audit Management and Tracking (AMaT) system. The Assurance and Risk Team regularly engage with key stakeholders through meetings, including responsible officer, directorates, boards, committees and Internal Audit.

The tracking of audit and review recommendations through an internal escalation process is used to strengthen operational audit tracking arrangements was noted as robust in the Wales Audit Structured Assessment 2024. During 2024/25, follow up reviews were undertaken by Internal Audit for Consultant Job Planning and Discharge Management, with positive steps in the implementation of management actions noted.

We undertook a follow up review of five limited assurance internal audit reports (three issued in 2024/25 and two issued in 2023/24) to provide assurance that the Health Board has implemented a sample of the related recommendations appropriately and in a timely manner. We have also considered a sample of high priority recommendations from reasonable assurance reports and reviewed the systems and arrangements the Health Board has in place to monitor progress with the implementation of actions.

The following table sets out the sample of recommendations selected from the tracker (as at 19 March 2025):

Report Title	Report Assurance Rating	Matters Arising	Priority Rating	Internal Audit Status Opinion
Speaking Up Safely	Reasonable	4.1a	High	Implemented
		4.1b	High	Implemented
Falls Management	Limited	3.1	High	Partially Implemented (*Work Actively in Progress*)
Nursing Management	Limited	2.1	High	Implemented
		3.1	High	Not Implemented
Management of Bed Capacity	Limited	1	High	Implemented
		2	High	Partially Implemented (*Work Actively in Progress*)
		3	High	Partially Implemented (*Work Actively in Progress*)
		4	High	Partially Implemented (*Work Actively in Progress*)
		5	Medium	Partially Implemented (*Work Actively in Progress*)
Emergency & Business Continuity Planning	Reasonable	1.1a	High	Implemented
		1.1b	High	Implemented

Estates Condition	Limited	3	High	Implemented
		4.1	High	Not Implemented
		6	High	Partially Implemented (*Work Actively in Progress*)
GGH Fire Precautions Phase 1	Limited	1.1	High	Implemented

Testing identified eight recommendations where supporting documentation to confirm the implementation of management action was evident. Of the recommendations assessed as partially complete, progress was well established on these actions, whilst two recommendations require further work before they can be closed.

A number of recommendations identified as completed during this review and also throughout the year was not supported by evidence to corroborate the completion of the agreed management action. This was communicated to the identified responsible officer via AMaT, whilst the Assurance and Risk Team would also support in communicating this to the service or directorate at their regular meetings.

Overall, the Health Board has an established corporate system in place with sound internal controls and governance arrangements for the recording and monitoring of report/inspection recommendations. Whilst testing confirmed the implementation for several sampled recommendations, work was actively ongoing for the remaining recommendations. We have therefore concluded **reasonable** assurance on this area.

Full details of the progress of partially and not implemented actions are detailed within the Progress with Action Implementations section below.

Corporate Approach to Tracking Recommendations

The Health Board has effective arrangements to monitor progress in relation to the implementation of recommendations. Since 2024, Hywel Dda capture all inspection and report recommendations on the AMaT system, allowing designated responsible officers to record the progress in the implementation of agreed management actions. Concluding the implementation of the agreed action, supporting evidence is required to be uploaded before being approved as implemented by an authorised individual.

The Assurance and Risk Team are responsible for the monitoring of all recorded recommendations on the AMaT system through continuous monitoring arrangements of progress against the actions including providing update reports and working with departments and directorates.

The Audit and Risk Assurance Committee (ARAC) receive regular 'Audit Tracker' reports that provides progress in respect of the implementation of recommendations from audits and inspections across the Health Board. The reporting of the 'Audit Tracker' reports is also listed on the ARAC work plan for 2024/25. A review of ARAC minutes confirmed scrutiny of the progress of audits recommendations overall by members including the identification of any issues or concerns.

In January 2024, the escalation status of Hywel Dda was increased to targeted intervention (TI) for the entire organisation due to concerns within all six domains of the *NHS Wales Escalation and Oversight Framework*. A streamline approach with newly defined assurance levels was introduced as part of the organisation's internal escalation process. This approach has also been incorporated into the 'Audit Tracker' reports with updates on the implementation of recommendations provided per directorate and service.

Audit Wales' Structured Assessment 2024 (issued November 2024) reported that "*the Health Board has maintained robust arrangements for tracking audit and review recommendations, with internal escalation arrangements used to strengthen operational audit tracking arrangements"*. The report also corroborates the above arrangements in place for the tracking of recommendation in addition to providing a high-level summary of each directorate's escalation status on the governance domain, which includes managing audit and inspection recommendations, since October 2024.

A review of the audit tracker (as at 19 March 2025) highlighted continued good engagement with directorates and services with 80% of recommendations raised during 2024/25 noted as closed. We noted 16 (15%) open recommendation that are overdue did not have a revised completion date.

Outcomes of Ongoing Internal Audit Work

The Assurance and Risk Team have regularly engaged with Internal Audit throughout 2024/25 with dedicated meetings and ad hoc requests. These meetings focus on progress of actions including those that have implemented management actions and those where barriers have been identified that has delayed department or services addressing outstanding actions.

Internal Audit also attend regular sessions established by the Assurance and Risk Team with dedicated services, such as Estates and Facilities. These sessions allow the Assurance and Risk Team to obtain progress updates from the service and provide any support where issue or concerns are identified.

Throughout 2024/25, Internal Audit have independently reviewed implemented actions and supporting evidence on a total of 21 recommendations (2x High, 15x Medium and 4x Low). Where Internal Audit have deemed that further evidence or work is required for management to address the recommendation, this is communicated back to the responsible officers either through AMaT, via the Assurance and Risk Team or directly with the responsible officers.

During the course of this review and throughout the year, we identified some recommendations that have been signed off as implemented; however, no supporting evidence to corroborate the completion of the agreed management action had been uploaded on AMaT. Where supporting documentation has not been uploaded onto the AMaT, Internal Audit have communicated this back to the identified responsible officer via the system, whilst the Assurance and Risk Team would also support in communicating this to the service or directorate at their regular meetings.

Progress of Agreed Actions Not Fully Implemented

Falls Management: Limited Assurance

Ref	Recommendation	Original Responsibility & Timescale	Priority Rating	Status
3.1	**Risk Assessments** Senior Nurse Management teams to undertake independent checks to ensure the existence, timeliness (for example through WNCR reporting functionality) and quality of MFRAs, particularly in falls 'hot spots'. Independent checking controls have been observed at other Welsh Health Boards.	Head of Nursing & Senior Nurse Manager (PPH) 31 January 2025 *(second mgnt action not due until May 2025)*	**High**	**Partially Implemented** A falls audit tool has been developed but has not been rolled out for use across the organisation to date. The Deputy Head of Nursing confirmed that the roll out of this audit tool will commence in May 2025.

Nursing Management: Limited Assurance

Ref	Recommendation	Original Responsibility & Timescale	Priority Rating	Status
3.1	**Escalation of Unfilled Shifts** Ensure that unfilled shifts are escalated to agency in line with the new process effective 1 November 2024 and maintain an audit trail to demonstrate compliance with the standard operating procedure, where approval is obtained outside of the roster system. This could be achieved by including the Roster Team on approval correspondence which would provide oversight and enable a central record of approvals to be maintained. Determine approval requirements for the reallocation of agency shifts and consider whether this needs to be incorporated into the new standard operating procedure.	Head of Nursing for Professional Standards & Regulation 31 March 2025	**High**	**Not Implemented** A *Booking Registered Nurse or Health Care Support Workers Additional Hours, Bank, Overtime and Agency* procedure document that outlines the new approval process has been drafted but has not been formally approved to date. No evidence of peer-to-peer audits have been undertaken, whilst additional testing by Internal Audit identified continued non-compliance with escalated shifts not being submitted for approval to the Heads or Deputy Heads of Nursing.

Management of Bed Capacity: Limited Assurance

Ref	Recommendation	Original Responsibility & Timescale	Priority Rating	Status
2	**Established Core Bed Numbers** Following an exercise on the reconciliation of actual numbers of core beds with the WPAS system, this will be shared with other departments and services to ensure ward core bed numbers correctly aligned.	Deputy General Manager Carmarthenshire & Head of Information Services 31 March 2025	**High**	**Partially Implemented** A review of the 'Live Bed Capacity' numbers, which are linked to the WPAS figures, identified wards where core bed numbers did not accurately reconcile. A *Bed Complement Reconciliation* standard operating procedure (SOP) document has been produced outlining the requirement for senior nurse managers to submit core bed numbers for WPAS on a monthly basis. However, no evidence of the SOP sign-off or dissemination was evident.
3	**Consolidation of Core and Surge Bed Numbers** The triangulation of data in a central repository will be addressed as part of the implementation of the new *Pt-Flow* and *E-Obs* system – a hospital wide 'at a glance' summary is included in the deliverable system – for all staff that need access to this. In the meantime, appropriate staff will be trained on how to record opening of beds identifying them as surge on the WPAS.	Deputy General Manager Carmarthenshire 31 March 2025	**High**	**Partially Implemented** Informatics have undertaken training on approximately 75 employees to date to show them how to record opening of beds identifying them as surge on the WPAS. Staff have also been provided with a WPAS user guide for reference. The implementation of the *Pt-Flow* and *E-Obs* system continues to be on track for roll out by 31 December 2025, with the existing Power BI dashboard in place in interim.
4	**Service Changes Process** To ensure a consistent approach for service changes, the establishment of a change procedure to modify core bed numbers will be developed. This solution will be superseded following the implementation of the new *Pt-Flow* and *E-Obs* system.	Deputy General Manager Carmarthenshire 1 March 2025	**High**	**Partially Implemented** A *Bed Complement Reconciliation* SOP document has been developed detailing the process for the adjustment of core bed numbers. As noted above, no evidence of the SOP sign-off or dissemination was evident.

Ref	Recommendation	Original Responsibility & Timescale	Priority Rating	Status
				The implementation of the *Pt-Flow* and *E-Obs* system continues to be on track for roll out by 31 December 2025.
5	**Surge and Flex Beds** To confirm the consistent interpretation of surge beds and 'flex' beds, actions will be taken to as part of the new *Pt Flow* and *E-Obs* system development, to ensure a clear delineation of all the bed types on the hospital 'at a glance' view to be included.	Deputy General Manager Carmarthenshire & Head of Information Services 31 March 2025	**Medium**	**Partially Implemented** Informatics have undertaken training on approximately 75 employees to date to show them how to record opening of beds identifying them as surge on the WPAS. In addition, senior nurse managers are required to submit core bed numbers monthly. The implementation of the *Pt-Flow* and *E-Obs* system continues to be on track for roll out by 31 December 2025, with the existing Power BI dashboard in place in interim.

Estates Condition HDU-SSU-2324-03: Limited Assurance

Ref	Recommendation	Original Responsibility & Timescale	Priority Rating	Status
4.1	**Funding Strategy – Revenue Investment** A full review should be undertaken of the Estates workforce to analyse the current position in terms of capability and capacity based on the current configuration of the estate - pre any redevelopment. Following this, a clear financial model for the revenue support needed in the estate should be developed.	Director of Estates, Facilities and Capital Management 1 July 2024	**High**	**Not Implemented** Following the outcome of the A Healthier Mid and West Wales strategy refresh, a review of workforce will be assessed and a paper will be tabled. No action on this review of workforce has taken place to date.
6	**Board Assurance Framework** The Board will be provided with assurances on the effectiveness of the identified controls to reduce the principal risk associate with the "Insufficient investment in facilities/equipment/digital infrastructure"	Executive Director of Strategy and Planning 1 December 2023	**High**	**Partially Implemented** Whilst the risk is contained on the Principal Risk Register within the Board Assurance Framework (Risk Ref. 1196), the implementation of the controls and actions has not progressed since 2021 with the risk score increasing in February 2025.

Appendix A Assurance Opinion & Prioritisation of Findings

Assurance Opinion

Substantial

Follow up: all recommendations implemented and operating as expected.

Reasonable

Follow up: all high priority recommendations implemented and progress on the medium and low priority recommendations.

Limited

Follow up: no high priority recommendations implemented but progress on most of the medium and low priority recommendations.

Unsatisfactory

Follow up: no action taken to implement recommendations.

Advisory

Given to reviews and support provided to management which form part of the internal audit plan, to which the assurance definitions are not appropriate.

These reviews are still relevant to the evidence base upon which the overall opinion is formed.

Prioritisation of Findings

Priority	Explanation
High	Significant risk to achievement of a system objective OR evidence present of material loss, error, or misstatement. Poor system design OR widespread non-compliance.
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Website: [Audit & Assurance Services - NHS Wales Shared Services Partnership]

5.9 **12:10, 0 Mins**

5.9 - Primary Care Strategy including Managed Practices

DEFERRED to 2025/26 Plan

6

12:10, 0 Mins

6 - Financial Focus

6.1

12:10, 5 Mins

6.1 - Financial Assurance Report

Huw Thomas (Hywel Dda UHB - Director of Finance)

For assurance

Attachments

6.1 SBAR Financial Assurance Report ARAC June 2025.pdf

6.1 Financial Assurance Report ARAC June 2025 (incl Appendix 1 - 3).pdf

PWYLLGOR ARCHWILIO A SICRWYDD RISG
AUDIT AND RISK ASSURANCE COMMITTEE

DYDDIAD Y CYFARFOD: **DATE OF MEETING:**	24 June 2025
TEITL YR ADRODDIAD: **TITLE OF REPORT:**	Financial Assurance Report
CYFARWYDDWR ARWEINIOL: **LEAD DIRECTOR:**	Huw Thomas, Director of Finance
SWYDDOG ADRODD: **REPORTING OFFICER:**	Tim John, Head of Accounting and Statutory Reporting

Pwrpas yr Adroddiad (dewiswch fel yn addas) **Purpose of the Report** (select as appropriate)
Ar Gyfer Penderfyniad/For Decision

ADRODDIAD SCAA
SBAR REPORT

Sefyllfa / Situation

The Audit and Risk Assurance Committee (ARAC) requires assurance on a number of financial areas as outlined in the body of the report.

Cefndir / Background

The Standing Orders require that ARAC provides assurance to the Board that the University Health Board's assurance processes are operating effectively. Critical to this is Financial Assurance, which cannot be measured only by the UHB's main finance report and requires further information in order to assess the control environment in place; the risk assessment and management process; and the control activities.

Asesiad / Assessment

This report outlines the issues which require the Committee to action and monitor (Alert and Advise respectively) and the issues from which the Committee can take assurance around the actions being undertaken (Assure).

Alert:

a) The Committee is alerted to breaches of Standing Financial Instructions (SFIs), which are reported in Appendix 1.

Advise:

a) The level of staff overpayments is decreasing, and the average recovery period continues to be at a reduced level when compared to the same period during the last financial year.

Assure:

a) Activity ongoing to reduce non-compliance with No PO No Pay.
b) PSPP compliance remains on target for delivery for the year.
c) Single Tender Actions are carefully controlled.

Argymhelliad / Recommendation

The Audit and Risk Assurance Committee is asked to**:**

- **APPROVE** losses as detailed in section 2.4
- **DISCUSS** the breaches of Standing Financial Instructions (SFIs) as detailed in Appendix 1.
- **TAKE ASSURANCE** from the actions taken to reduce the instances of non-compliance with the No PO No Pay policy.
- **TAKE ASSURANCE** from the controls in place to manage Single Tender Actions (STAs).
- **DISCUSS** the staff overpayments and seek assurance that actions to control them are sufficiently embedded.
- **SCRUTINISE** the award of contracts listed in Appendix 1.

Amcanion: (rhaid cwblhau) **Objectives: (must be completed)**	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	2.4 The Committee's principal duties encompass the following: 2.4.2 Seek assurance that the systems for financial reporting to Board, including those of budgetary control, are effective, and that financial systems processes and controls are operating. 3.10 The Committee will be responsible for reviewing the UHB's Standing Orders and Standing Financial Instructions and Scheme of Delegation annually, (including associated framework documents as appropriate), monitoring compliance, and reporting any proposed changes to the Board for consideration and approval. 3.13 Approve the writing-off of losses or the making of special payments within delegated limits. 3.15 Receive a report on all Single Tender Actions and extensions of contracts.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	BAF SO9-PR20 BAF SO10-PR33
Parthau Ansawdd: Domains of Quality Quality and Engagement Act (sharepoint.com)	Not Applicable
Galluogwyr Ansawdd: Enablers of Quality: Quality and Engagement Act (sharepoint.com)	Not Applicable
Amcanion Strategol y BIP: UHB Strategic Objectives:	Not Applicable

Amcanion Cynllunio Planning Objectives	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2021-2022	10. Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Monitoring returns to Welsh Government based on the Health Board's financial reporting system. Activity recorded in the AR and AP modules of the Oracle business system and activity recorded in the procurement Bravo system.
Rhestr Termau: Glossary of Terms:	AP - Accounts Payable AR – Accounts Receivable BGH – Bronglais General Hospital CAT – Core Accounting Team CF – Counter Fraud COS – Contracted Out Service VAT EOY – End of Year ERs NI – Employers National Insurance GGH – Glangwili General Hospital HMRC – His Majesty's Revenue and Customs IFRS – International Financial Reporting Standards NWSSP – NHS Wales Shared Services Partnership PID – Patient Identifiable Data PO – Purchase Order POL – Probability of Loss PPH – Prince Philip Hospital PSPP – Public Sector Payment Policy SFI – Standing Financial Instructions SLA – Service Level Agreement STA – Single Tender Action VAT – Value Added Tax WGH – Withybush General Hospital WRP – Welsh Risk Pool
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Archwilio a Sicrwydd Risg Parties / Committees consulted prior to Audit and Risk Assurance Committee:	UHB's Finance Team UHB's Management Team

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	Financial implications are inherent within the report.
Ansawdd / Gofal Claf: Quality / Patient Care:	Risk to our financial position affects our ability to discharge timely and effective care to patients.

Gweithlu: **Workforce:**	Overpayments are reported within this report.
Risg: **Risk:**	Financial risks are detailed in the report.
Cyfreithiol: **Legal:**	The UHB has a legal duty to deliver a breakeven financial position over a rolling three-year basis and an administrative requirement to operate within its budget within any given financial year.
Enw Da: **Reputational:**	Adverse variance against the UHB's financial plan will affect our reputation with Welsh Government, Audit Wales and with external stakeholders.
Gyfrinachedd: **Privacy:**	Not Applicable
Cydraddoldeb: **Equality:**	Not Applicable

1.1 Purpose

- The purpose of this report is to outline the financial assurances which the Audit and Risk Assurance Committee (ARAC) requires.

- The framework agreed is included below in Figure 1, and the remainder of the report is based on this.

Figure 1: Compliance requirements for the Audit and Risk Assurance Committee

Compliance requirement	Reporting	Frequency
Scheme of delegation changes	• Exception reporting for approval	As and when
Compliance with Purchase to Pay requirements	• Breaches of the No PO, No Pay policy • Instructions for noting • Public Sector Payment Policy (PSPP) compliance • Tenders awarded for noting • Single tender action • Breaches of Standing Financial Instructions (SFIs)	Bi-monthly
Compliance with Income to Cash requirements	• Overpayments of staff salaries and recovery procedures for noting	Bi-monthly
Losses & Special payments and Write offs	• Write off schedule • Approval of losses and special payments	Bi-monthly
Compliance with Capital requirements	• Scheme of delegation approval for capital	Following approval of annual capital plan
Compliance with Tax requirements	• Compliance with VAT requirements • Compliance with employment taxes	Bi-monthly
Compliance with Reporting requirements	• Changes in accounting practices and policies • Agree final accounts timetable and plans • Review of annual accounts progress • Review of audited annual accounts and financial statements	Annually

2.1 Scheme of delegation changes

No changes.

2.2 Compliance with Purchase to Pay Requirements

2.2.1 No PO, No Pay Policy Adherence

Excluding those invoices on the No PO, No Pay Policy exemption list, a total of zero invoices with zero value have been paid without a purchase order since 31 August 2024, when the revised All-Wales No PO No Pay policy came into force, providing assurance of the robust process now fully implemented and adhered to across the Health Board and NWSSP.

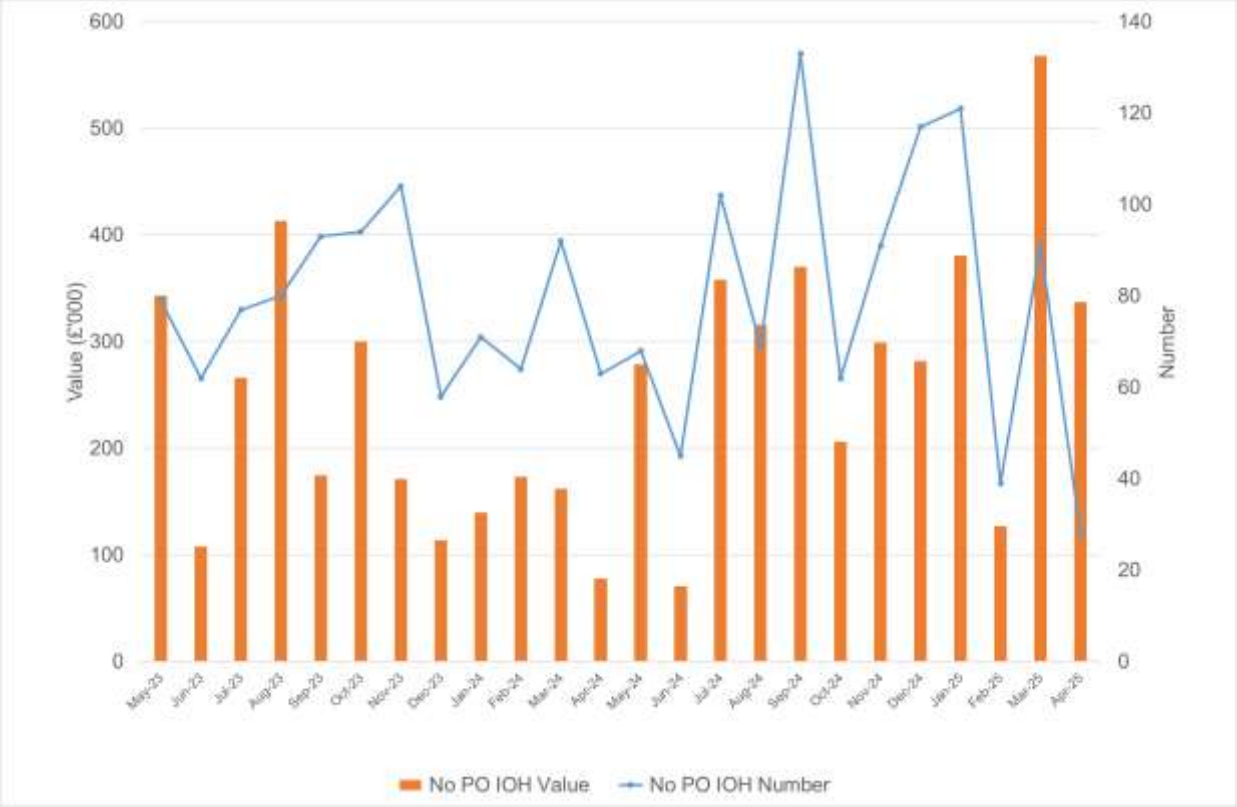
Invoices on Hold (IOH)

Whilst there have been zero invoices paid without a purchase order, preventative control checks are in place to ensure proactive management minimises the potential for non-compliance in the future and any delays for vendor payment. This preventative control is called invoices on hold (IOH).

Figure 2 below illustrates the numbers and value of IOH as a result of no purchase order being quoted on the presented invoice. For the months of March and April 2025 there were a total of 119 IOH with a combined value of £905k. This compares to a total of 160 IOH on hold with a combined value of £508k for January and February 2025.

The cumulative position as at end of April 2025 has decreased compared to at the end of February 2025 in terms of frequency but has slightly increased in value; a total of 75 IOH with a combined value of £432k, compared to 108 IOH with a combined value of £385k respectively.

Figure 2: Invoices on Hold awaiting a purchase order or credit note (including disputed invoices)



Improving compliance with the No PO, No Pay Policy – reducing invoices on hold

Supplier Non-Compliance:

During the period March and April 2025, there were no suppliers with non-compliance exceeding £20,000.

Health Board Requisitioner and Approver Non-Compliance:.

Work is now being undertaken by the Core Accounting Team (CAT) to monitor directorates who do not comply with the policy, Service Delivery Mangers are being advised that they are failing to follow policy and assistance with any training that is required is offered. In addition, CAT continues to evaluate the appropriate reporting of IOH.

Details are provided below of the one clinical care group with non-compliance in excess of £20,000 during the period ending April 2025:

Clinical Care Group	No. Inv	£
Primary Care; Community Strategy & Long Term Care	12	57,960

All invoices relate to Long Term Care and the value of each of the 12 invoices is £4,830. Each invoice is in respect of RITA (Reminiscence Interactive Therapy Activities) in care homes.

Please note, the above compares to three directorates being non-compliant during the period ending February 2025 with IOH totalling £344,984.

2.2.2 Public Sector Payment Policy (PSPP) Compliance

The Health Board has a statutory responsibility to pay 95% of its non-NHS invoices within 30 days.

The Health Board successfully achieved its monthly PSPP target of paying 95% of non-NHS invoices for the months of March and April 2025, achieving 97.99% and 96.32% respectively. In addition, at the end of March 2025 the Health Board had met the target on a cumulative basis for the Financial Year 2024/25 (96.67%).

Regarding the payment of NHS invoices, the Health Board paid 78.63% and 84.99% of these within 30 days for the months of March and April respectively.

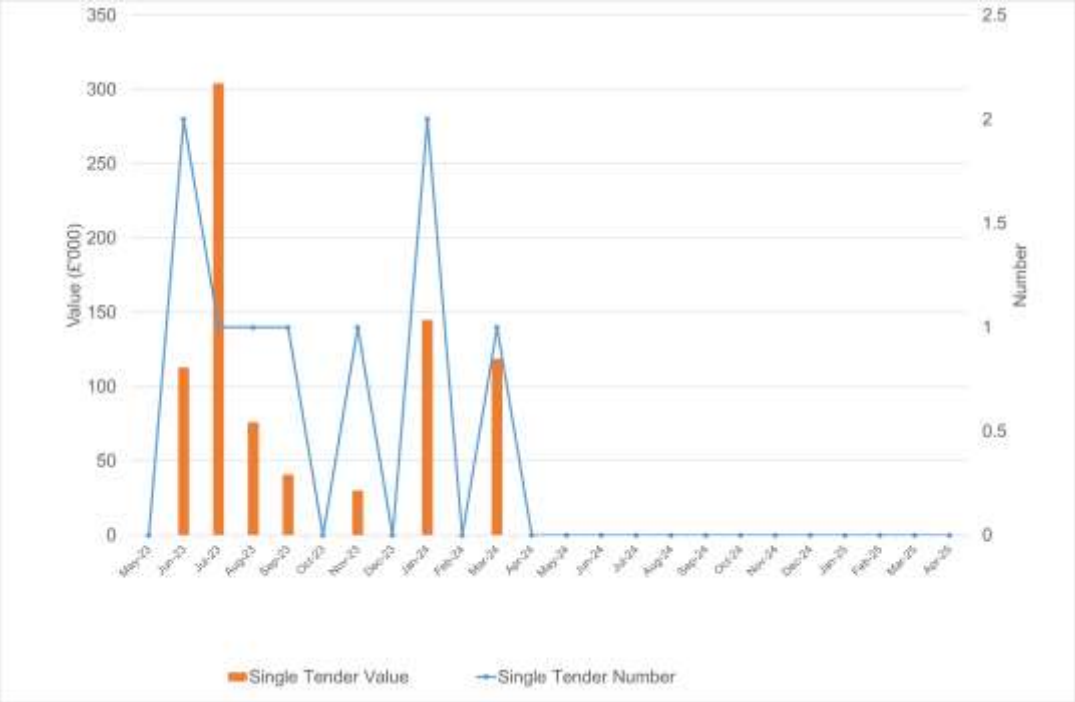
The Core Accounting Team is continually pursuing budget holders to authorise invoices promptly, as e-mail requests from NWSSP Accounts Payable are often ignored. The team has also been providing training to areas where there are frequently high numbers of failures. This is in addition to contacting suppliers with invoices on hold without a PO, to help find the relevant PO or contacting the service users to raise a PO if required.

2.2.3 Single Tender Actions

There were no Single Tender Actions (in excess of £25,000) during March and April 2025. In addition, there were no Single Tender Actions (in excess of £25,000) throughout the whole of 2024/25.

The graph (Figure 3) shows the trend of all Single Tender Actions (STA) approved from 1 May 2023 to 30 April 2025.

Figure 3: Numbers and value of Single Tender Actions



2.2.4 Tenders Awarded and Breaches of Standing Financial Instructions

There were 26 contracts awarded, including direct awards through framework, during the period 1 March 2025 to 30 April 2025, totalling £6,563,622.

Details of all these contracts, to the value of £25,000 and above, are provided in Appendix 1.

In addition, Appendix 1 includes details of contracts awarded in excess of £25,000 in 2024/25, not previously reported to ARAC by local NWSSP Procurement.

Standing Financial Instructions (SFIs) – SFIs detail the financial responsibilities, policies and procedures adopted by the Health Board. They are designed to ensure that our financial transactions are carried out in accordance with the law and with Welsh Government policy in order to achieve probity, accuracy, economy, efficiency, effectiveness and sustainability.

During the period 1 March 2025 to 30 April 2025 there were 11 breaches of SFIs, in respect of retrospective purchase orders, totalling £628,884. Full details are provided in Appendix 1.

Where these breaches occur, they are reviewed by local NWSSP Procurement for appropriate re-education and the relevant director is informed.

2.2.5 Consultancy contracts

There was one consultancy contract awarded for £47,625 during March and April 2025. Details are provided in Appendix 1.

2.3 Compliance with Income to Cash

2.3.1 Overpayment of Salaries

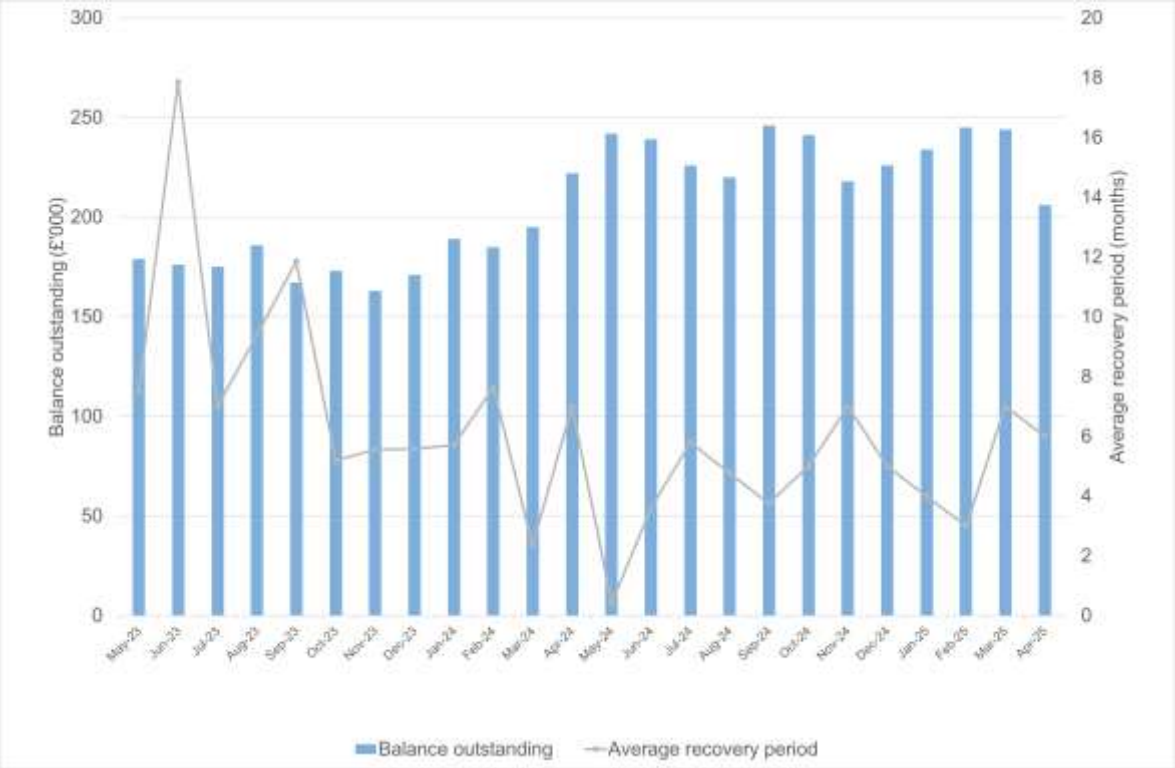
The Health Board has a duty to ensure that staff are paid appropriately, and that overpayments are not incurred.

Appendix 2 shows the volume and value of invoices raised in respect of overpayments for the period 1 March to 30 April 2025; 29 cases totalling £46,830, which represents 0.15% of the average monthly net pay costs.

The graph below (Figure 4) details the total balance outstanding against the average recovery period. The average recovery period reflects the number of debts settled in the current period only. The total value raised in the period 1 March to 30 April 2025 was £47k, compared to £66k in the period ended 28 February 2025.

The overall debt balance has decreased to £206k at the end of April 2025 compared to £246k at the end of February 2025, with the average recovery period increasing from three months at the end of February to six months at the end of April 2025.

Figure 4: Trend of aged overpayments and recoveries

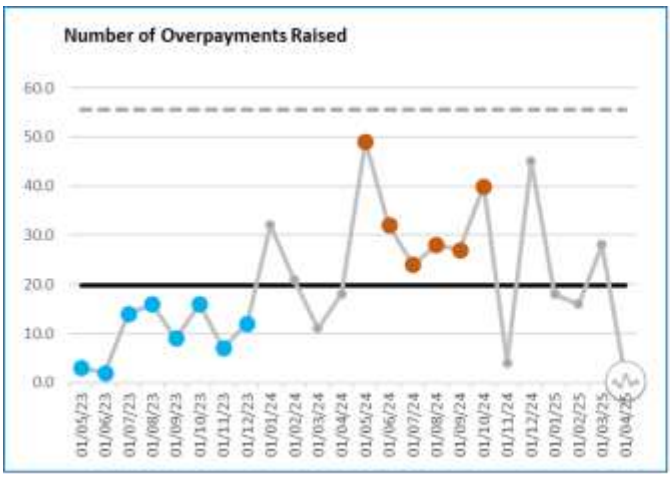


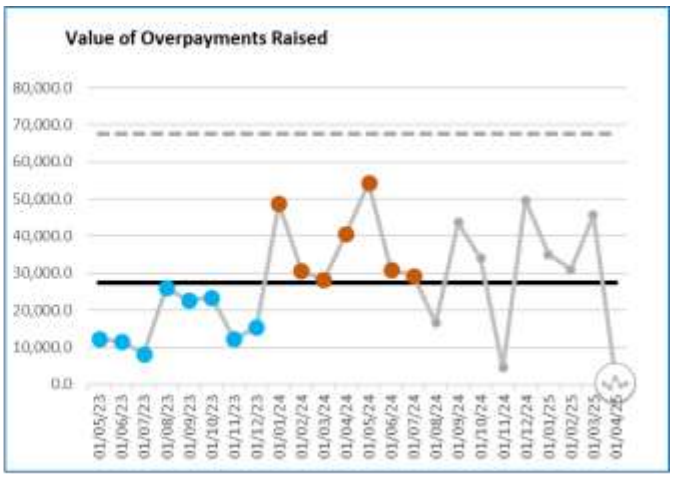
Further statistical analysis in respect of the overpayment of salaries is provided below:

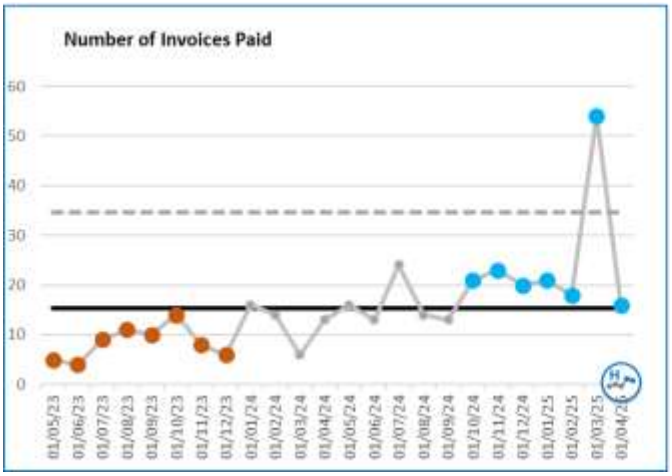
The four charts show the number and volume of invoices raised by the Health Board in respect of the overpayment of salaries during the period May 2023 to April 2025.

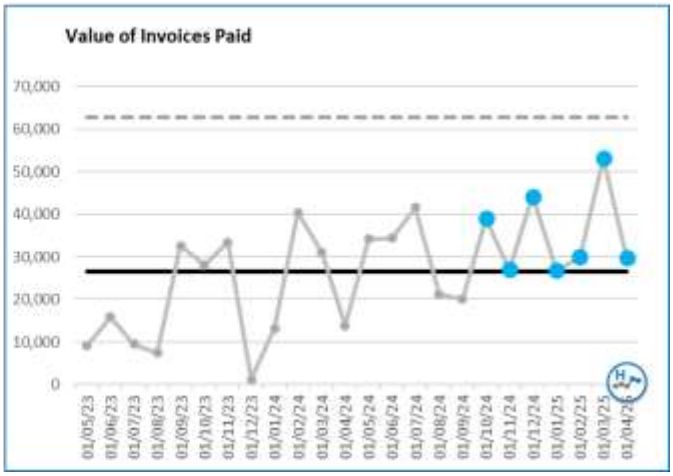
The rate at which the invoices have been raised varies based on the information gathered by the Payroll Department. The average number and value of invoices raised has remained at 20 invoices for a total average of £27k at the end of April 2025 compared to the end of February 2025.

The rate at which the Health Board receives payment for these invoices has increased to an average of 15 invoices per month at the end of April 2025, compared to an average of 13 at the end of the previous period of February 2025. The average amount recovered per month has increased to £26.5k from £24k when comparing these periods.









2.3.2 Underpayment of salaries

NWSSP have provided details of emergency payments requested and paid in March and April 2025 for underpaid salaries, the total of which was £18,511.

Reasons for salary underpayments include:

- Wrong bank account details provided
- Incorrect recording of sick leave
- Late notification of return to work
- Incorrect Change forms

2.4 Losses and Special Payments for Approval

2.4.1 General Losses and Special Payments

Losses and special payments require ARAC's approval, given their contentious nature. Details of all losses and special payments arising in March and April 2025, totalling £107,091, are provided in Appendix 3.

There were three losses over £5k arising in the period March to April 2025 requiring the Committee's approval. The value of these three losses was £38,651 and they related to expired stock at Withybush General Hospital:

1. £8,266 – patient specific product order; treatment subsequently cancelled / product not required
2. £24,312 – stock bags ordered for multiple patients; several patients cancelled / products not required
3. £6,073 – fridge failure at pharmacy

Losses and write offs under £5k, as per requirement under FP02 – Income and Cash Collection, have been presented and approved by the Director of Finance and Chief Executive. In total these amounted to £68,440.

2.5 Compliance with Capital Requirements

There are currently no live capital projects requiring a Project Bank Account (PBA).

The Glangwili Fire Upgrade Phase 1 project, for which a PBA was in operation, achieved completion in February 2025. The next project meeting the threshold for a PBA is likely to be the Withybush Fire Upgrade Phase 2 project, however this is currently at business case stage; the Project Team are aware of the requirement and will include this in the tender specifications for the project.

2.6 Compliance with Tax Requirements

2.6.1 Compliance with VAT Requirements

No updates or issues to report.

2.6.2 Compliance with Employment Tax Requirements

The Health Board, along with other organisations across NHS Wales, has participated in a National Minimum Wage (NMW) Employer Support Programme with HMRC. The programme offered the opportunity for NHS Wales organisations to utilise HMRC's expert advice and support to check that they are paying all workers in accordance with NMW regulations.

The Health Board received confirmation from HMRC on 31 March 2025 that HMRC had closed the programme.

Internal discussions between Finance and Workforce colleagues are ongoing in respect of NMW compliance and further updates will be provided as appropriate.

2.7 Compliance with reporting requirements

IFRS 17 – Insurance Contracts. IFRS 17 Insurance contracts will be applicable in the public sector from 1 April 2025. The standard requires full retrospective adoption, so the transition date will be 1 April 2024 and it will have an impact on the accounting treatment for any organisation that has issued, or issues, a contract that meets the definition of an insurance contract.

The Health Board has not issued any insurance contracts and Welsh Government have been advised accordingly. Audit Wales will confirm this during their external audit of the 2024/25 annual Accounts.

2.8 Financial Compliance

There are no further updates to report.

3.1 Recommendations

The Audit and Risk Assurance Committee is asked to:

a) Approve losses as detailed in section 2.4
b) Discuss the breaches of SFIs as detailed in Appendix 1.
c) Take assurance from the actions taken to reduce the instances of non-compliance with the No PO No Pay policy.
d) Take assurance from the controls in place to manage Single Tender Actions
e) Discuss the staff overpayments and seek assurance that actions to control them are sufficiently embedded.
f) Scrutinise the award of contracts listed in Appendix 1.

Appendix 1: Contracts awarded

Contracts awarded post competitive tender										
Period Covered by this report			01/03/2025	30/04/2025						
Reference	Supplier	Description	One off or Period		Value, exc Vat	Department	Professional Services	Date of Board Approval (if applicable)	Compliant	Comment
			Start	End						
HDD-OJEULT-54345	Carers Trust Crossroads West Wales	Carers Hospital Discharge Support Service Lot 1	01/04/2025	31/03/2026	£206,000	Community	No	N/A	Y	An extension to a competitive tender has been awarded to Carers Trust Crossroads West Wales for 12 months. The contract is for Carers Hospital Discharge Support Service (Lot 1). An option to extend the contract for a further 12 months is included in the award.
HDD-OJEULT-54345	Credu Young and Adult Carers Support	Carers Hospital Discharge Support Service Lot 2	01/04/2025	31/03/2026	£133,900	Community	No	N/A	Y	An extension to a competitive tender has been awarded to Credu Young and Adult Carers Support for 12 months. The contract is for Carers Hospital Discharge Support Service (Lot 2). An option to extend the contract for a further 12 months is included in the award.
HDD-OJEULT-54345	Adferiad	Carers Hospital Discharge Support Service Lot 3	01/04/2025	31/03/2026	£133,705	Community	No	N/A	Y	An extension to a competitive tender has been awarded to Adferiad for 12 months. The contract is for Carers Hospital Discharge Support Service (Lot 3). An option to extend

										the contract for a further 12 months is included in the award.
HDD-OJEULT-54346	Carers Trust Crossroads West Wales	Carers Community Outreach Discharge Support Service Lot 1	01/04/2025	31/03/2026	£99,704	Community	No	N/A	Y	An extension to a competitive tender has been awarded to Carers Trust Crossroads West Wales for 12 months. The contract is for Carers Community Outreach Discharge Support Service (Lot 1). An option to extend the contract for a further 12 months is included in the award.
HDD-OJEULT-54346	Credu Young and Adult Carers Support	Carers Community Outreach Discharge Support Service Lot 2	01/04/2025	31/03/2026	£40,283	Community	No	N/A	Y	An extension to a competitive tender has been awarded to Credu Young and Adult Carers Support for 12 months. The contract is for Carers Community Outreach Discharge Support Service (Lot 2). An option to extend the contract for a further 12 months is included in the award.
HDD-OJEULT-54346	Adferiad	Carers Community Outreach Discharge Support Service Lot 3	01/04/2025	31/03/2026	£59,649	Community	No	N/A	Y	An extension to a competitive tender has been awarded to Adferiad for 12 months. The contract is for Carers Community Outreach Discharge Support Service (Lot 3). An option to extend the contract for a further 12

										months is included in the award.
HDD-RFQ-P0322	Henleys Business School	Leadership Coaching Programme	24/02/2025	23/02/2026	£28,100	Workforce	No	N/A	Y	Following a competitive tender, Henleys Business School were awarded a 12 month contract for a Leadership Coaching Programme. This contract award does not allow for an extension.
HDD-OJEULT-55566	St Johns	Assisted Discharge Welfare & Falls Rapid Response Service	01/04/2025	31/03/2026	£250,557	Community	No	N/A	Y	An extension to a competitive tender has been awarded to St Johns for 12 months. The contract is for Assisted Discharge Welfare & Falls Rapid Response Service. An option to extend the contract for a further 12 months is included in the award.
HDD-OJEULT-55565	PACTO	Assisted Discharge Rapid Patient Hospital Transport Services	01/04/2025	31/03/2026	£70,144	Community	No	N/A	Y	An extension to a competitive tender has been awarded to PACTO for 12 months. The contract is for Assisted Discharge Rapid Patient Hospital Transport Services. An option to extend the contract for a further 12 months is included in the award.

HDD-OJEULT-55784	West Wales Care & Repair	Assisted Discharge Home Adaptations to Support Hospital Discharge	01/04/2025	31/03/2026	£92,041	Community	No	N/A	Y	An extension to a competitive tender has been awarded to West Wales Care & Repair for 12 months. The contract is for Assisted Discharge Home Adaptations to Support Hospital Discharge. An option to extend the contract for a further 12 months is included in the award.
HDD-OJEULT-56169	Volunteering Matters	Low Level Community Support at Home for Adults	01/04/2025	31/03/2026	£205,015	Community	No	N/A	Y	An extension to a competitive tender has been awarded to Volunteering Matters for 12 months. The contract is for Low Level Community Support at Home for Adults. An option to extend the contract for a further 12 months is included in the award.
HDD-OJEULT-58238	Llanelli Mind	Adult Mental Health Services (Llanelli Cluster)	01/04/2025	31/03/2027	£340,388	Primary Care	No	N/A	Y	Following a competitive tender, Llanelli Mind were awarded a 24 month contract for Adult Mental Health Services (Llanelli Cluster). An option to extend the contract for a further 24 months is included in the award.
HDD-MIN-58145	Phoenix Software Limited	Imprivata & Ivanti Appsense Environment Manager Licences and Support Renewal	07/03/2025	31/03/2026	£171,695	Digital	No	N/A	Y	Following a competitive tender, Phoenix Software Limited were awarded a 12 month contract for Imprivata & Ivanti Appsense Environment Manager Licences and Support Renewal. An option to extend the contract for a further 12

										months is included in the award.
HDD-MIN-58266	NCC Group Security Services Ltd	Cyber Incident Response Retainer Renewal	01/04/2025	31/03/2028	£145,680	Digital	No	N/A	Y	Following a competitive tender, NCC Group Security Services Ltd were awarded a 36 month contract for a Cyber Incident Response Retainer Renewal. An option to extend the contract for a further 12 months is included in the award.
HDD-ITT-57260	CYCA	Wellbeing Services CYP (Llanelli Cluster)	01/04/2025	31/03/2027	£234,000	Primary Care	No	N/A	Y	Following a competitive tender, CYCA were awarded a 24 month contract for Wellbeing Services CYP (Llanelli Cluster). An option to extend the contract for a further 36 months is included in the award.
PSR - Urgent award (P0338)	Healios Ltd	ASD Assessments – Children & Young Adults - Urgent Contract Notice	24/03/2025	31/12/2025	£499,863	Mental Health & Learning Disabilities	No	N/A	Y	Following an urgent contract notice, Healios Ltd were awarded a 9 month contract for Children & Young Adults ASD Assessments. This contract award does not allow for an extension.
PSR - Urgent award (P0339)	ProblemShared	ADHD Assessments - Adults - Urgent contract notice	24/03/2025	31/12/2025	£225,000	Mental Health & Learning Disabilities	No	N/A	Y	Following an urgent contract notice, ProblemShared were awarded a 9 month contract for Adults ADHD Assessments. This contract award does not allow for an extension.

PSR - Urgent award (P0343)	SpaMedica Ltd	Cataracts - Urgent Contract Notice	24/03/2025	30/06/2025	£812,380	Scheduled Care	No	N/A	Y	Following an urgent contract notice, SpaMedica Ltd were awarded a 3 month contract for Cataracts. This contract award does not allow for an extension.

Direct awards via Framework Agreement											
Period Covered by this report				01/03/2025	30/04/2025						
Reference	Framework Used & Reference	Supplier	Description	One off or Period		Value, exc VAT	Department	Prof Services	Date of Board Approval (if applicable)	Compliant	Comment
				Start	End						
HDD-DCO-24-21	CCS Technology Products & Associated Services Two (RM6098)	Computacenter UK Limited	CISCO Network Switches 2	01/04/2025	31/03/2028	£414,354	Digital	No	N/A	Y	A direct award via CCS Technology Products & Associated Services Two (RM6098) framework has been awarded to Computacenter UK Limited for CISCO Network Switches for 36 months. This contract award does not allow for an extension.
HDD-DCO-24-28	NHS Shared Business Services (SBS), Digital Workplace Solutions (SBS/19/AB/WAB/9411)	Softcat Plc	Florence Electronic Site File System	24/03/2025	31/03/2027	£41,065	Corporate / Digital	No	N/A	Y	A direct award via NHS Shared Business Services (SBS), Digital Workplace Solutions (SBS/19/AB/WAB/9411) framework has been awarded to Softcat Plc for a Florence Electronic Site File System for 24 months. This contract award does not allow for an extension.
HDD-DCO-24-20	Health Trust Europe ICT Solutions Three	Insight Direct (UK) Ltd	Video Consultation Platform	01/04/2025	31/03/2026	£46,949	Digital	No	N/A	Y	A direct award via Health Trust Europe ICT Solutions Three (ComIT3 - HTE-011006)

	(ComIT3 - HTE-011006)										framework has been awarded to Insight Direct (UK) Ltd for a Video Consultation Platform for 12 months. This contract award does not allow for an extension.
HDD-DCO-24-24	National Procurement Service (NPS) - IT Products and Services (ii) (NPS-ICT-0094-19)	Softcat Plc	XPorter & XClean Synbiotix Licencing, Support and Maintenance	01/04/2025	31/03/2027	£163,681	Hotel Services / Digital	No	N/A	Y	A direct award via National Procurement Service (NPS) - IT Products and Services (ii) (NPS-ICT-0094-19) framework has been awarded to Softcat Plc for XPorter & XClean Synbiotix Licencing, Support and Maintenance for 24 months. This contract award does not allow for an extension.
HDD-DCO-24-26	NHS SBS Digital Dictation, Speech Recognition and Outsourced Transcription (SBS/20/SM/WCC/9423)	T-Pro Limited	Digital Dictation System Renewal	26/04/2025	25/04/2025	£170,697	Digital	No	N/A	Y	A direct award via NHS SBS Digital Dictation, Speech Recognition and Outsourced Transcription (SBS/20/SM/WCC/9423) framework has been awarded to T-Pro Limited for a Digital Dictation System Renewal for 12 months. This contract award does not allow for an extension.
HDD-DCO-24-27	CCS Big Data & Analytics framework agreement (RM6195)	Faculty Science Limited	Discharge Management Decision Intelligence Platform	24/04/2025	31/03/2026	£62,742	Digital	No	N/A	Y	A direct award via CCS Big Data & Analytics framework agreement (RM6195) has been awarded to Faculty Science Limited for a Discharge Management Decision Intelligence Platform for 12 months. This contract award does not allow for an extension.

HDD-DCO-24-23	NHS London Procurement Partnership (LPP), Clinical Digital Solutions (CDS)	Civica	Electronic Document Management System	01/04/2025	31/03/2027	£476,024	Digital	No	N/A	Y	A direct award via NHS London Procurement Partnership (LPP), Clinical Digital Solutions (CDS) framework has been awarded to Civica for an Electronic Document Management System for 24 months. This contract award does not allow for an extension.
HDD-DCO-24-16	All Wales Ophthalmology Consumable Framework	Bausch & Lomb	Consumable Deal, inclusive of Equipment	01/04/2025	31/03/2029	£1,440,000	Scheduled Care	No	01/01/2025	Y	A direct award via All Wales Ophthalmology Consumable Framework has been awarded to Bausch & Lomb for a Consumable Deal, inclusive of equipment, for 48 months. This contract award does not allow for an extension.

Awards Reported Retrospectively (in excess of £25,000)												
Period Covered by this report				01/03/2025	30/04/2025							
Month/Year Awarded	Reference	Supplier	Description	One off or Period		Value, exc Vat	Department	Procurement Process	Professional Services	Date of Board Approval (if applicable)	Compliant	Comment
				Start	End							
December 2024	HDD-OJEU-57484	Psysoft	Ad Hoc Psychometric Assessments	01/01/2025	31/12/2026	£277,500	Workforce	Above OJEU Tender	No	N/A	Y	In the month of December 2024, a contract was awarded to Psysoft for a term of 24 months, for Ad Hoc Psychometric Assessments. An option to extend the contract for a further 12 months is included in the award. The procurement process utilised was Above OJEU Tender.
February 2025	HDD-VEAT-24-02	Pentrepoeth Dental Practice (Gower Healthcare Dental Ltd)	Provision of General Dental Services - Carmarthen & South Pembs	01/03/2025	28/02/2030	£5,000,000	Primary Care	VEAT	No	01/09/2024	Y	In the month of February 2025, a contract was awarded to Pentrepoeth Dental Practice (Gower Healthcare Dental Ltd) for a term of 60 months, for the

												Provision of General Dental Services - Carmarthen & South Pembs. An option to extend the contract for a further 60 months is included in the award. The procurement process utilised was a VEAT Notice.
February 2025	HDD-DCO-24-35	Stryker UK Ltd	Stryker Stacks	18/02/2025	17/02/2028	£269,079	Theatres	Direct Award	No	N/A	Y	In the month of February 2025, a contract was awarded to Stryker UK Ltd for a term of 36 months, for a Stryker Stacks Agreement. This contract award does not allow for an extension. The procurement process utilised was a Direct Award.

Breaches of Standing Financial Instructions (all)						
Period Covered by this report			01/03/2025		30/04/2025	
Month/ Year	**Supplier**	**Description**	**Value, exc Vat**	**Directorate**	**Comment**	**Action Taken**
March 2025	Pembrokeshire County Council	Psychiatry of Old Age - 1st April 2024 to 31st of March 2025	£40,040.00	Mental Health & Learning Disabilities	In the month of March 2025, a retrospective purchase order was raised to Pembrokeshire County Council for the payment of Psychiatry of Old Age - 1st April 2024 to 31st of March 2025. The total value of the purchase order was £40,040.00. This breach of Standing Financial Instructions sits within the Mental Health & Learning Disabilities Directorate.	Breach Added to Procurement Workplan
March 2025	Crest Ceilings & Partitions Ltd	Supply, Deliver and Install Phase 1 Fire Protection Works - Amman Valley Hospital	£16,520.00	Estates Capital	In the month of March 2025, a retrospective purchase order was raised to Crest Ceilings & Partitions Ltd for the payment of Supply, Deliver and Install Phase 1 Fire Protection Works - Amman Valley Hospital. The total value of the purchase order was £16,520.00. This breach of Standing Financial Instructions sits within the Estates Capital Directorate.	Escalated for Re-Education, and Relevant Director Informed for Awareness and Action
March 2025	Pembrokeshire County Council	SAC Centres - 1st of April 2024 to 31st of March 2025	£138,140.00	Mental Health & Learning Disabilities	In the month of March 2025, a retrospective purchase order was raised to Pembrokeshire County Council for the payment of SAC Centres - 1st of April 2024 to 31st of March 2025. The total value of the purchase order was £138,140.00. This breach of Standing Financial Instructions sits within the Mental Health & Learning Disabilities Directorate.	Breach Added to Procurement Workplan

March 2025	Insight Direct (UK) Ltd	C9300 Cisco DNA Advantage Licences - 1st of April 2021 to 31st March 2026	£52,774.22	Digital	In the month of March 2025, a retrospective purchase order was raised to Insight Direct (UK) Ltd for the payment of C9300 Cisco DNA Advantage Licences - 1st of April 2021 to 31st March 2026. The total value of the purchase order was £52,774.22. This breach of Standing Financial Instructions sits within the Digital Directorate.	Breach Added to Procurement Workplan
March 2025	Qbtech Ltd	Annual Licence & Test Fees - Llanelli Community Paediatrics - 01/07/24 - 30/06/25	£21,231.60	Women's & Children	In the month of March 2025, a retrospective purchase order was raised to Qbtech Ltd for the payment of Annual Licence & Test Fees - Llanelli Community Paediatrics - 01/07/24 - 30/06/25. The total value of the purchase order was £21,231.60. This breach of Standing Financial Instructions sits within the Women's & Children Directorate.	Breach Added to Procurement Workplan
March 2025	Carmarthenshire County Council	Health Protection Services & Management - 1st April 2024 to 31st March 2025	£309,000.00	Public Health	In the month of March 2025, a retrospective purchase order was raised to Carmarthenshire County Council for the payment of Health Protection Services & Management - 1st April 2024 to 31st March 2025. The total value of the purchase order was £309,000.00. This breach of Standing Financial Instructions sits within the Public Health Directorate.	Breach Added to Procurement Workplan
March 2025	Workinconfidence Ltd	Working In Confidence Platform Licence - 1st March 2025 to 28th February 2026	£10,210.83	Workforce & Organisational Development	In the month of March 2025, a retrospective purchase order was raised to Workinconfidence Ltd for the payment of Working In Confidence Platform Licence - 1st March 2025 to 28th February 2026. The total value of the purchase order was £10,210.83. This breach of Standing Financial Instructions sits within the Workforce & Organisational Development Directorate.	Breach Added to Procurement Workplan

April 2025	Lexis Nexis UK	Payment of Legal Fees	£20,962.00	Nursing	In the month of April 2025, a retrospective purchase order was raised to Lexis Nexis UK for the payment of Payment of Legal Fees. The total value of the purchase order was £20,962.00. This breach of Standing Financial Instructions sits within the Nursing Directorate.	Escalated for Re-Education, and Relevant Director Informed for Awareness and Action
April 2025	Eolas Medical Ltd	Eolas Medical Subscription - 1st January 2025 to 31st December 2025	£5,000.00	Medicines Management	In the month of April 2025, a retrospective purchase order was raised to Eolas Medical Ltd for the payment of Eolas Medical Subscription - 1st January 2025 to 31st December 2025. The total value of the purchase order was £5,000.00. This breach of Standing Financial Instructions sits within the Medicines Management Directorate.	Breach Added to Procurement Workplan
April 2025	Eolas Medical Ltd	Eolas Medical Antimicrobial Subscription - 1st April 2025 to 31st March 2026	£10,000.00	Medical	In the month of April 2025, a retrospective purchase order was raised to Eolas Medical Ltd for the payment of Eolas Medical Antimicrobial Subscription - 1st April 2025 to 31st March 2026. The total value of the purchase order was £10,000.00. This breach of Standing Financial Instructions sits within the Medical Directorate.	Breach Added to Procurement Workplan
April 2025	Brynteg Surgery	Ward Cover at Amman Valley - 1st January 2025 to 31 March 2025	£5,005.35	Carmarthenshire County	In the month of April 2025, a retrospective purchase order was raised to Brynteg Surgery for the payment of Ward Cover at Amman Valley - 1st January 2025 to 31 March 2025. The total value of the purchase order was £5,005.35. This breach of Standing Financial Instructions sits within the Carmarthenshire County Directorate.	Escalated for Re-Education, and Relevant Director Informed for Awareness and Action

Consultancy											
Period Covered by this report				01/03/2025	30/04/2025						
Reference	STA/Competitive Tender/Direct Award/VEAT	Supplier	Description	One off or Period		Value, exc VAT	Department	Professional Services	Date of Board Approval (if applicable)	Compliant	Comment
				Start	End						
HDD-VEAT-24-03	VEAT	Local Partnerships	Climate Adaptation Plan	13/03/2025	31/03/2025	£47,625.00	Corporate	No	01/01/2025	Y	A Consultancy Contract was approved to confirm that Local Partnerships were awarded a 1 month contract for a Climate Adaptation Plan. This contract award does not allow for an extension.

Appendix 2: Overpayment of Salaries

	Period covered by this report: 1 Mar 25 – 30 Apr 25		
Ref	**Reason for Overpayment**	**Value (£)**	**Number of invoices**
1	Processing Error	16,971.62	3
2	Late Notification of Changes	8,317.43	7
3	Late Notification of Termination	18,842.32	15
4	Late Notification of Absence	2,698.34	4
		46,829.71	29

Appendix 3a: Losses and Special Payments over £5,000

	Period covered by this report:		1 March 2025 to 30 April 2025
Ref	**Losses and Special Payments Category**	**Value (£)**	**Explanation**
1	4b Other causes*	24,312	Expired stock (WGH) - stock bags ordered for multiple patients; several patients cancelled / products not required
2	4b Other causes*	8,266	Expired stock (WGH) - patient specific product order; treatment subsequently cancelled / product not required
3	4b Other causes*	6,073	Expired stock (WGH) - fridge failure at pharmacy
	Total Losses (for approval)	**£38,651**	

*In accordance with the Health Board's Losses and Special Payments Procedure (Procedure number: 066) the write off of expired stock falls under category 4b as detailed in Appendix 1 of the policy:

4) Damage to buildings, their fittings, furniture and equipment and loss of equipment and property in stores and in use due to:

a. culpable causes eg, theft, fraud, arson or sabotage whether proved or suspected, neglect of duty or gross carelessness

b. other causes

Recommendation: The Committee is asked to approve the losses in excess of £5k noted above.

Appendix 3b: Losses and Special Payments over £1,000 to £5,000

WRITE OFF LIST : £1k - £5k		
Period covered by this report:	1st March to 30 April 2025	
Losses and Special Payments Category	**Value (£)**	**Explanation**
OVERPAYMENT OF SALARY	1,178.37	COLLECTION EFFORTS EXHAUSTED
SALARY SACRIFCE	1,215.50	COLLECTION EFFORTS EXHAUSTED
OVERPAYMENT OF SALARY	1,294.59	COLLECTION EFFORTS EXHAUSTED
OVERPAYMENT OF SALARY	1,521.87	COLLECTION EFFORTS EXHAUSTED
OVERSEAS PATIENT	3,898.00	COLLECTION EFFORTS EXHAUSTED
OVERSEAS PATIENT	4,274.00	COLLECTION EFFORTS EXHAUSTED
Total Write Off	**13,382.33**	
4b Other	3,456.05	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	3,263.88	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	2,220.00	P12-25 Glangwili Hospital~~G EXPIRED STOCK GGH
7a EX-GRATIA	1,885.50	Month 12 - Ex-Gratia - loss of hearing aid
4b Other	1,715.08	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	1,651.52	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	1,649.81	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	1,458.88	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	1,259.75	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	1,128.00	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
Total Other/Ex Gratia	**19,688.47**	
Total	**33,070.80**	

Appendix 3c: Losses and Special Payments less than £1,000

WRITE OFF LIST : Less than £1k		
Period covered by this report:	1st March to 30 April 2025	
Losses and Special Payments Category	**Value (£)**	**Explanation**
NHS WALES HEALTH BOARD	0.01	UNDERPAYMENT RECEIVED
OVERPAYMENT OF SALARY	0.03	UNDERPAYMENT RECEIVED
OVERPAYMENT OF SALARY	0.04	UNDERPAYMENT RECEIVED
OVERPAYMENT OF SALARY	0.05	UNDERPAYMENT RECEIVED
OVERPAYMENT OF SALARY	1.00	UNDERPAYMENT RECEIVED
NON-NHS INCOME	15.00	BANK CHARGES ON FORIGN PAYMENT
ACCOMODATION	42.94	UNECONOMICAL TO PERSUE
OVERPAYMENT OF SALARY	50.39	UNECONOMICAL TO PERSUE
SALARY SACRIFCE	70.68	UNECONOMICAL TO PERSUE
OVERPAYMENT OF SALARY	90.90	UNECONOMICAL TO PERSUE
OVERPAYMENT OF SALARY	133.06	COLLECTION EFFORTS EXHAUSTED
WAGESTREAM DEBTS	194.39	COLLECTION EFFORTS EXHAUSTED
PRIVATE PATIENT	225.47	COLLECTION EFFORTS EXHAUSTED
PRIVATE PATIENT	245.64	COLLECTION EFFORTS EXHAUSTED
OVERPAYMENT OF SALARY	259.25	COLLECTION EFFORTS EXHAUSTED
OVERPAYMENT OF SALARY	260.40	COLLECTION EFFORTS EXHAUSTED
OVERPAYMENT OF SALARY	331.14	COLLECTION EFFORTS EXHAUSTED
OVERPAYMENT OF SALARY	355.96	COLLECTION EFFORTS EXHAUSTED
SALARY SACRIFCE	503.02	COLLECTION EFFORTS EXHAUSTED
WAGESTREAM DEBTS	514.86	COLLECTION EFFORTS EXHAUSTED
SALARY SACRIFCE	519.32	COLLECTION EFFORTS EXHAUSTED
OVERPAYMENT OF SALARY	543.49	COLLECTION EFFORTS EXHAUSTED
SALARY SACRIFCE	577.80	COLLECTION EFFORTS EXHAUSTED
SALARY SACRIFCE	628.00	COLLECTION EFFORTS EXHAUSTED
OVERSEAS PATIENT	734.00	COLLECTION EFFORTS EXHAUSTED
OVERPAYMENT OF SALARY	943.26	COLLECTION EFFORTS EXHAUSTED
Total Write Off	**7,240.10**	
4b Other	867.60	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	836.40	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	830.50	P12-25 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	725.69	P12-25 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	712.80	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	677.90	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	621.00	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	596.40	P01-26 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	567.00	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	552.29	P01-26 Glangwili Hospital~~G WASTAGE / BREAKAGES GGH
4b Other	525.60	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	525.60	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	524.93	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	455.25	P01-26 Prince Philip Hospital~~P WASTAGE / BREAKAGES PPH
4b Other	440.64	P12-25 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	428.30	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	408.00	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	397.01	P12-25 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	396.00	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	395.64	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	393.70	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	387.72	P01-26 Glangwili Hospital~~G WASTAGE / BREAKAGES GGH
4b Other	384.91	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	374.69	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	374.69	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	354.96	P12-25 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	344.40	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	339.60	P12-25 Bronglais Hospital~~B WASTAGE / BREAKAGES BGH
4b Other	339.60	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	332.40	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	330.91	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	329.64	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	315.00	P12-25 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	306.52	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
7a EX-GRATIA	300.00	Month 01 - Ex-Gratia - loss of dentures

4b Other	283.50	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	281.52	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	280.00	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	269.22	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	265.68	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	255.00	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	230.64	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	228.00	P12-25 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	225.60	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	216.00	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	215.90	P12-25 Bronglais Hospital~~B WASTAGE / BREAKAGES BGH
4b Other	204.00	P12-25 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	199.58	P12-25 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	196.80	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	186.30	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	183.92	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	178.85	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	178.01	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	175.80	P01-26 Withybush Hospital~~W WASTAGE / BREAKAGES WGH
4b Other	174.36	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	165.83	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	153.83	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	151.20	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	148.60	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	147.60	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	143.94	P12-25 Bronglais Hospital~~B WASTAGE / BREAKAGES BGH
4b Other	141.60	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	140.64	P01-26 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	138.19	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	138.19	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	136.00	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	134.40	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	122.54	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	121.50	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	120.00	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	118.80	P01-26 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	115.20	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	106.80	P12-25 Prince Philip Hospital~~P EXPIRED STOCK PPH
4b Other	100.80	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	100.80	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	98.42	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	92.22	P01-26 Prince Philip Hospital~~P EXPIRED STOCK PPH
4b Other	91.80	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	91.10	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	90.60	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	88.80	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	87.90	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	85.72	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	81.74	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	81.74	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	79.49	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	76.43	P01-26 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	72.38	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	70.70	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	69.24	P12-25 Prince Philip Hospital~~P EXPIRED STOCK PPH
4b Other	67.50	P01-26 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	67.20	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	65.48	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	63.00	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	60.60	P12-25 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	59.40	P01-26 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	59.40	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	58.04	P12-25 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	56.83	P01-26 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	55.20	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	55.20	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	54.90	P01-26 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	53.82	P01-26 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	53.57	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	52.82	P12-25 Bronglais Hospital~~B WASTAGE / BREAKAGES BGH
4b Other	52.80	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH

4b Other	52.08	P12-25 Bronglais Hospital~~B WASTAGE / BREAKAGES BGH
4b Other	51.84	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	51.20	P12-25 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	50.40	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	49.68	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	49.64	P12-25 Bronglais Hospital~~B WASTAGE / BREAKAGES BGH
4b Other	49.20	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	49.20	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	46.92	P12-25 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	46.15	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	45.27	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	43.39	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	42.22	P01-26 Glangwili Hospital~~G WASTAGE / BREAKAGES GGH
4b Other	42.07	P01-26 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	41.70	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	40.80	P01-26 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	39.60	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	38.21	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	36.27	P12-25 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	35.42	P12-25 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	35.38	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	35.04	P12-25 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	34.37	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	33.96	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	33.60	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	33.56	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	33.12	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	33.00	P01-26 Bronglais Hospital~~B WASTAGE / BREAKAGES BGH
4b Other	31.92	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	31.88	P01-26 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	31.84	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
11 EX-GRATIA	30.50	Month 12 - Refund Travel - cancelled appointment Laser Clinic AL
4b Other	29.92	P12-25 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	29.91	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	29.66	P12-25 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	29.65	P01-26 Glangwili Hospital~~G WASTAGE / BREAKAGES GGH
4b Other	29.39	P01-26 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	29.16	P12-25 Glangwili Hospital~~G EXPIRED STOCK GGH
11 EX-GRATIA	28.00	Month 12 - Refund Travel - cancelled appointment CJD
4b Other	27.84	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	27.26	P12-25 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	27.17	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH
11 EX-GRATIA	27.00	Month 12 - Refund Travel - cancelled appointment KAB
4b Other	26.94	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	26.62	P01-26 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	26.06	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
11 EX-GRATIA	25.00	Month 12 - Refund Travel - cancelled appointment RHW
4b Other	24.29	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	23.78	P12-25 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	23.42	P12-25 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	23.34	P01-26 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	22.90	P01-26 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	22.70	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	22.70	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	22.43	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	21.98	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	21.65	P01-26 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	21.53	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	20.46	P12-25 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	20.38	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	19.80	P01-26 Prince Philip Hospital~~P EXPIRED STOCK PPH
4b Other	19.70	P01-26 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	19.20	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	18.65	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	17.77	P01-26 Prince Philip Hospital~~P EXPIRED STOCK PPH
4b Other	16.90	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	16.44	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
11 EX-GRATIA	16.00	Month 12 - Refund Travel - cancelled appointment Radiology FE

4b Other	15.62	P12-25 Bronglais Hospital~~B WASTAGE / BREAKAGES BGH
4b Other	15.48	P12-25 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	15.24	P01-26 Bronglais Hospital~~B WASTAGE / BREAKAGES BGH
4b Other	15.01	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	14.88	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	13.80	P12-25 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	12.60	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	12.17	P12-25 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	12.00	P12-25 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	11.94	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	11.52	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	11.20	P01-26 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	10.81	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH
11 EX-GRATIA	10.00	Month 12 - Refund Travel - cancelled appointment ASL
4b Other	9.60	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	9.48	P12-25 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	9.00	P12-25 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	9.00	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	8.70	P12-25 Glangwili Hospital~~G WASTAGE / BREAKAGES GGH
4b Other	8.46	P01-26 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	8.45	P12-25 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	8.40	P01-26 Glangwili Hospital~~G WASTAGE / BREAKAGES GGH
4b Other	7.80	P12-25 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	7.60	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	7.44	P12-25 Glangwili Hospital~~G WASTAGE / BREAKAGES GGH
4b Other	7.44	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	7.43	P12-25 Glangwili Hospital~~G WASTAGE / BREAKAGES GGH
4b Other	7.36	P12-25 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	7.34	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	7.31	P12-25 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	7.29	P12-25 Prince Philip Hospital~~P EXPIRED STOCK PPH
4b Other	7.20	P12-25 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	7.20	P01-26 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	7.20	P01-26 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	7.09	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	7.08	P12-25 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	6.85	P12-25 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	6.58	P12-25 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	6.14	P12-25 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	6.10	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	6.09	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	5.96	P12-25 Prince Philip Hospital~~P EXPIRED STOCK PPH
4b Other	5.88	P12-25 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	5.40	P01-26 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	5.40	P01-26 Withybush Hospital~~W WASTAGE / BREAKAGES WGH
4b Other	5.26	P12-25 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	5.13	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	4.82	P01-26 Withybush Hospital~~W WASTAGE / BREAKAGES WGH
4b Other	4.39	P01-26 Prince Philip Hospital~~P WASTAGE / BREAKAGES PPH
4b Other	3.96	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	3.74	P12-25 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	3.71	P12-25 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	3.60	P12-25 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	3.26	P12-25 Prince Philip Hospital~~P EXPIRED STOCK PPH
4b Other	3.17	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	3.14	P12-25 Bronglais Hospital~~B WASTAGE / BREAKAGES BGH
4b Other	3.13	P01-26 Withybush Hospital~~W WASTAGE / BREAKAGES WGH
4b Other	2.88	P12-25 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	2.83	P12-25 Withybush Hospital~~W WASTAGE / BREAKAGES WGH
4b Other	2.81	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	2.80	P12-25 Glangwili Hospital~~G WASTAGE / BREAKAGES GGH
4b Other	2.40	P12-25 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	2.12	P12-25 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	2.08	P01-26 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	1.91	P01-26 Withybush Hospital~~W WASTAGE / BREAKAGES WGH
4b Other	1.74	P12-25 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	1.74	P01-26 Withybush Hospital~~W WASTAGE / BREAKAGES WGH
4b Other	1.68	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	1.66	P12-25 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	1.61	P01-26 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	1.57	P01-26 Bronglais Hospital~~B WASTAGE / BREAKAGES BGH
4b Other	1.54	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH

4b Other	1.44	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	1.44	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	1.43	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	1.13	P12-25 Bronglais Hospital~~B WASTAGE / BREAKAGES BGH
4b Other	1.04	P01-26 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	0.97	P01-26 Glangwili Hospital~~G WASTAGE / BREAKAGES GGH
4b Other	0.86	P01-26 Bronglais Hospital~~B WASTAGE / BREAKAGES BGH
4b Other	0.85	P01-26 Prince Philip Hospital~~P EXPIRED STOCK PPH
4b Other	0.64	P12-25 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	0.27	P01-26 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	0.22	P12-25 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	0.11	P12-25 Bronglais Hospital~~B WASTAGE / BREAKAGES BGH
4b Other	0.11	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	0.07	P12-25 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	0.07	P01-26 Bronglais Hospital~~B WASTAGE / BREAKAGES BGH
4b Other	0.04	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	0.02	P12-25 Glangwili Hospital~~G WASTAGE / BREAKAGES GGH
4b Other	0.02	P01-26 Bronglais Hospital~~B WASTAGE / BREAKAGES BGH
4b Other	0.01	P12-25 Prince Philip Hospital~~P EXPIRED STOCK PPH
4b Other	- 0.06	P01-26 Glangwili Hospital~~G EXPIRED STOCK GGH
4b Other	- 0.16	P12-25 Withybush Hospital~~W EXPIRED STOCK WGH
4b Other	- 1.08	P12-25 Prince Philip Hospital~~P EXPIRED STOCK PPH
4b Other	- 4.39	P01-26 Prince Philip Hospital~~P WASTAGE / BREAKAGES PPH
4b Other	- 7.20	P01-26 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	- 11.10	P01-26 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	- 11.20	P01-26 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	- 17.71	P01-26 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	- 47.88	P01-26 Bronglais Hospital~~B EXPIRED STOCK BGH
4b Other	- 387.72	P01-26 Glangwili Hospital~~G WASTAGE / BREAKAGES GGH
Total Ex Gratia	**28,128.96**	
Total	**35,369.06**	

6.2

12:15, 5 Mins

6.2 - Counter Fraud Update

Benjamin Rees (Hywel Dda UHB - Local Counter Fraud Specialist)

For assurance

Attachments

6.2 SBAR Counter Fraud Update ARAC June 2025.pdf

6.2 Counter Fraud Update ARAC June 2025.pdf

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

PWYLLGOR ARCHWILIO A SICRWYDD RISG
AUDIT AND RISK ASSURANCE COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	24 June 2025
TEITL YR ADRODDIAD: TITLE OF REPORT:	Counter Fraud Update
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Huw Thomas, Director of Finance
SWYDDOG ADRODD: REPORTING OFFICER:	Ben Rees, Head of Counter Fraud

Pwrpas yr Adroddiad (dewiswch fel yn addas) **Purpose of the Report** (select as appropriate)
Er Gwybodaeth/For Information

ADRODDIAD SCAA
SBAR REPORT

Sefyllfa / Situation

This report provides to the Audit and Risk Assurance Committee an update on the Counter Fraud work completed within Hywel Dda University Health Board (HDdUHB). This ensures compliance with the Welsh Government Directives for Countering Fraud in the NHS and the NHS Counter Fraud Authority Requirements of the Government Functional Standard GovS 013: Counter Fraud.

The report will present a breakdown as to how resource has been used within Counter Fraud, alongside an overview of key work areas completed against the 4 NHS Counter Fraud Authority standard areas.

Cefndir / Background

Main Report:
To evidence the provision of services within a sound governance framework.

Asesiad / Assessment

Main Report:
The Health Board is compliant with the Welsh Government Directives.

Argymhelliad / Recommendation

The Audit and Risk Assurance Committee is invited to receive for information the Counter Fraud Update Report and appended items.

Amcanion: (rhaid cwblhau) Objectives: (must be completed)	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	3.2 In particular, the Committee will review the adequacy of: 3.2.4 the policies and procedures for all work related to fraud and corruption as set out in National Assembly for Wales Directions and as required by the Counter Fraud and Security Management Service.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not applicable.
Parthau Ansawdd: Domains of Quality Quality and Engagement Act (sharepoint.com)	3. Effective 4. Efficient
Galluogwyr Ansawdd: Enablers of Quality: Quality and Engagement Act (sharepoint.com)	4. Learning, improvement and research
Amcanion Strategol y BIP: UHB Strategic Objectives:	1. Striving teams
Amcanion Cynllunio Planning Objectives	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2021-2022	10. Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Counter Fraud Workplan 2025/26
Rhestr Termau: Glossary of Terms:	LCFS – Local Counter Fraud Specialist/s CF – Counter Fraud CFS Wales – Counter Fraud Services Wales NHS CFA – NHS Counter Fraud Authority NWSSP – NHS Wales Shared Services Partnership LPE – Local Proactive Exercise FRA – Fraud Risk Assessment
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Archwilio a Sicrwydd Risg Parties / Committees consulted prior to Audit and Risk Assurance Committee:	Not applicable.

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: **Financial / Service:**	Not applicable.
Ansawdd / Gofal Claf: **Quality / Patient Care:**	Not applicable.
Gweithlu: **Workforce:**	Not applicable.
Risg: **Risk:**	Not applicable.
Cyfreithiol: **Legal:**	Not applicable.
Enw Da: **Reputational:**	Not applicable.
Gyfrinachedd: **Privacy:**	Not applicable.
Cydraddoldeb: **Equality:**	Not applicable.

HYWEL DDA UNIVERSITY HEALTH BOARD

COUNTER FRAUD UPDATE

For Presentation 24 June 2025

The NHS Protect Standards are set in four generic areas:

- **Strategic Governance**
- **Inform and Involve**
- **Prevent and Deter**
- **Hold to Account**

AREA OF ACTIVITY	2025/26 Resource (days)	Resource Used as at 31/05/2025	Resource Used (%) as at 31/05/2025)
STRATEGIC GOVERNANCE	40	5	12
INFORM AND INVOLVE	85	10	12
PREVENT AND DETER	130	20	15
HOLD TO ACCOUNT	185	24	13
TOTAL	**440**	**59**	**13**

Work Area	*Summary of work areas completed*
Inform and involve	• All new inductees have completed the Health Board's induction programme and the Counter Fraud mandatory training programme. The Health Board's Learning and Development Department are currently undertaking a review of Mandatory Training and have queried as to whether the Counter Fraud e-learning package needs to remain mandatory. Counter Fraud have advised Learning and Development that the e-learning package needs to remain mandatory. The package provides the Health Board with assurance that relevant training is both provided and completed by all employees, ensuring compliance with both Government Functional Standards and Welsh Government directions. Following discussion at the Mandatory Training Review group in February 2025, with input from the Head of Counter Fraud, it was agreed that the package should remain mandatory. However, a concession was made with the need to renew the package every three years removed. • Counter Fraud content was delivered to Nurses by way of presentations on the Medicines Management programme and the Overseas Nurses Induction. • Following a risk identified, linked to introduction of the new rostering system into the Mental Health Directorate, Fraud Awareness sessions were provided to circa 100 employees from the directorate, during which Fraud proofing controls were highlighted and awareness raised around the need to maintain accurate and timely records on electronic systems. • Counter Fraud currently sit on the quarterly HDdUHB Local Intelligence Network (LIN), at which advice is provided on current fraud trends associated with Controlled Drugs. Where applicable, relevant advice, including raising awareness of Fraud in the NHS, is provided.

Prevent and deter

- The Public Sector Fraud Authority (PSFA) – part of the UK Government's Cabinet Office and HM Treasury – oversees the National Fraud Initiative (NFI) across the UK. Audit Wales leads the exercise in Wales under the Auditor General's powers in the Public Audit (Wales) Act 2004. The Auditor General's Code of Data Matching Practice summarises the key legislation, and controls, governing the exercise in Wales. The Auditor General has mandated that unitary local authorities, NHS bodies, police forces, and fire and rescue authorities participate in the NFI. NFI helps prevent and detect fraud by sharing and matching sets of data electronically. Further information on the initiative can be found here, National Fraud Initiative | Audit Wales.

  Final data sets were released in January 2025. Work on the initiative has commenced by both Local Counter Fraud officers and NWSSP Accounts Payable. To date, a significant amount of work has been undertaken in this area. A breakdown of each exercise and a summary of activity undertaken has been provided below:

Match Type	Purpose of the match	Total Matches	Opened	Reviewed and closed	Remaining	Remarks
Payroll to Payroll	To identify individuals who may be committing employment fraud by failing to work their contracted hours because they are employed elsewhere or are taking long-term sickness absence from one employer and working for another employer at the same time. The criteria for a match are a person having one full-time post plus at least one other post elsewhere.	86	86	76	10	10 enquiries remain open, 3 of which have been progressed as investigations and 7 enquiries remain outstanding with third parties. In addition, each entry will be reviewed to identify whether consideration should be made by the employee to submit any relevant declarations of interest. CF aim to complete this work by the end of quarter 2.

	Payroll to Pension	To identify cases where employees who have gone back into employment after drawing a pension that could result in an abatement of pension.	110	88	88	22	Enquiries undertaken include working with NWSSP Pensions to ensure each entry is valid and compliant. To date, no issues have been identified. CF aim to complete this work by the end of quarter two.
	Payroll to Creditors	The match identifies instances where an employee and creditor are linked by the same bank account or the same address to identify employees with interests in companies with which your organisation is trading. This may indicate potential undeclared interests and possible procurement corruption or where a member of staff has set up a creditor with their own bank details in order to receive payments they are not entitled to.	24	24	1	23	A download of the data has been obtained and shared with Finance colleagues as part of a joint review. In addition, each entry will be reviewed to identify whether consideration should be made by the employee to submit any relevant declarations of interest. CF aim to complete this work by the end of quarter 2.
	Payroll to companies house	To identify potential undeclared interests that have given a pecuniary advantage. To do this NFI have matched payroll data to companies house information and then to your creditors data. The reports are split between those highlighting employees who appear to be registered directors of companies that the employing body has traded with and those where the employees address appears to have links to the company directors or the company.	49	49	0	49	A download of the data has been obtained and shared with Finance colleagues as part of a joint review. In addition, each entry will be reviewed to identify whether consideration should be made by the employee to submit any relevant declarations of interest. CF aim to complete this work by the end of quarter 2.

Hold to Account	• New referrals have been received into the department over the last two months, with significant work being undertaken. A detailed report of all new, existing, and closed investigations has been provided to the Committee via an In-Committee report.
Strategic Governance	• Quarterly statistics have been submitted to Counter Fraud Service (CFS) Wales and in compliance with WG directions. CFS Wales have produced their quarterly report, which has been appended to the In-Committee report. • The LCFS attended a quarterly PPV meeting, during which issues relating to current error trends were raised and discussed, with a view to identifying potential risk areas. These meetings will continue throughout the year.

Report Provided by:
Ben Rees - Lead Local Counter Fraud Specialist
For presentation; 24 June 2025

Report agreed by:
Huw Thomas
Director of Finance

7

12:20, 0 Mins

7 - Assurance and Risk

7.1

12:20, 5 Mins

7.1 - Audit Tracker

Joanne Wilson (Hywel Dda UHB - Director of Corporate Governance/Board Secretary)

For assurance

Attachments

7.1 SBAR Audit Tracker ARAC June 2025.pdf

7.1 Audit Tracker Assurance Report June 2025.pdf

PWYLLGOR ARCHWILIO A SICRWYDD RISG
AUDIT AND RISK ASSURANCE COMMITTEE

DYDDIAD Y CYFARFOD: **DATE OF MEETING:**	24 June 2025
TEITL YR ADRODDIAD: **TITLE OF REPORT:**	External Recommendations Assurance Report
CYFARWYDDWR ARWEINIOL: **LEAD DIRECTOR:**	Joanne Wilson, Director of Corporate Governance / Board Secretary
SWYDDOG ADRODD: **REPORTING OFFICER:**	Charlotte Wilmshurst, Assistant Director of Assurance and Risk Rachel Williams, Head of Assurance and Risk

Pwrpas yr Adroddiad (dewiswch fel yn addas) **Purpose of the Report** (select as appropriate)
Er Sicrwydd/For Assurance

ADRODDIAD SCAA
SBAR REPORT

Sefyllfa / Situation

This report provides the Audit and Risk Assurance Committee (ARAC) with progress in respect of the implementation of recommendations from audits and inspections across the Health Board.

Cefndir / Background

Audits, inspections and reviews play an important independent role in providing the Board with assurance on internal controls and that systems and processes are sufficiently comprehensive and operating effectively. Therefore, it is essential that recommendations from audits, inspections and reviews are implemented in a timely way.

The following criteria are included as part of the Welsh Government revised de-escalation criteria for the Health Board for 2025/26:

- Evidence that all recommendations from the Royal Colleges / Health Inspectorate Wales (HIW) and other reviews specific to Hywel Dda UHB are discharged and either verified or delivered or scheduled for delivery within the Health Board's longer-term improvement plan *(TI criteria 12)*; and
- Demonstrate a prompt response to any HIW inspections, concerns, incidents, never-events, coroners requests and regulation 28s *(TI criteria 38)*

Asesiad / Assessment

The attached report aims to provide assurance on the progress in respect of the implementation of recommendations from audits, inspections and regulators, and provide assurance on the effectiveness of the internal escalation framework arrangements in respect of driving improvements in the Health Board's progress in implementing recommendations from auditors.

Argymhelliad / Recommendation

The Audit and Risk Assurance Committee is asked to **TAKE ASSURANCE** that the Health Board is continuing to address findings from audits, inspections and regulators, and is strengthening the internal escalation arrangements for the domain of governance.

Amcanion: (rhaid cwblhau) **Objectives: (must be completed)**	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	3.3 In carrying out this work, the Committee will primarily utilise the work of Internal Audit, Clinical Audit, External Audit and other assurance functions, but will not be limited to these audit functions. It will also seek reports and assurances from directors and managers as appropriate, concentrating on the overarching systems of good governance, risk management and internal control, together with indicators of their effectiveness.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not applicable.
Parthau Ansawdd: Domains of Quality Quality and Engagement Act (sharepoint.com)	7. All apply
Galluogwyr Ansawdd: Enablers of Quality: Quality and Engagement Act (sharepoint.com)	6. All Apply
Amcanion Strategol y BIP: UHB Strategic Objectives:	All Strategic Objectives are applicable
Amcanion Cynllunio Planning Objectives	All Planning Objectives Apply
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2021-2022	10. Not Applicable

Gwybodaeth Ychwanegol: **Further Information:**	
Ar sail tystiolaeth: Evidence Base:	Not Applicable
Rhestr Termau: Glossary of Terms:	ARAC – Audit and Risk Assurance Committee AW – Audit Wales (previously WAO (Wales Audit Office))

	BGH – Bronglais General Hospital CCG – Clinical Care Group CIW – Care Inspectorate Wales CHC – Community Health Council CSG – Clinical Service Group DU – Delivery Unit GGH – Glangwili General Hospital GIRFT – Getting It Right First Time HEIW – Health Education and Improvement Wales HIW – Healthcare Inspectorate Wales HSC – Health and Safety Committee HSE – Health and Safety Executive HTA – Human Tissue Authority IA – Internal Audit IRMER – Ionising Radiation (Medical Exposure) Regulations LOFSM – Letter of Fire Safety Matters MHLD – Mental Health and Learning Disabilities MHRA – Medicines and Healthcare Products Regulatory Agency MWWFRS – Mid and West Wales Fire and Rescue Service NQPE – Nursing, Quality and Patient Experience PHW – Public Health Wales PPE – Post Project Evaluation PPH – Prince Philip Hospital PODCC – People, Organisational Development and Culture Committee PSOW – Public Services Ombudsman for Wales RCP – Royal College of Physicians SDM – Service Delivery Manager SMART – Specific, Measurable, Achievable, Realistic/Relevant, Time-bound/Timely UHB – University Health Board USC – Unscheduled Care WGH – Withybush General Hospital WLC – Welsh Language Commissioner W&C – Women and Children WRP – Welsh Risk Pool
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Archwilio a Sicrwydd Risg Parties / Committees consulted prior to Audit and Risk Assurance Committee:	Director of Governance / Board Secretary

Effaith: (rhaid cwblhau) **Impact: (must be completed)**	
Ariannol / Gwerth am Arian: **Financial / Service:**	No direct impacts from this report however late or non-delivery of recommendations from audits and inspections could mean that the UHB is not addressing any gaps in control and exploiting opportunities to achieve value for money.

Ansawdd / Gofal Claf: **Quality / Patient Care:**	No direct impacts from this report however late or non-delivery of recommendations from audits and inspections could mean that the UHB is not addressing any gaps in control in relation to patient quality and care
Gweithlu: **Workforce:**	No direct impacts from this report however late or non-delivery of recommendations from audits and inspections could mean that the UHB is not addressing any gaps in control in relation to workforce issues and risks.
Risg: **Risk:**	No direct impacts from this report however late or non-delivery of recommendations from audits and inspections could mean that the UHB is not addressing any gaps in control and identified risks are not being managed.
Cyfreithiol: **Legal:**	No direct impacts from this report however late or non-delivery of recommendations from audits and inspections could mean that the UHB is less likely to defend itself in a legal challenge which could lead to larger fines/penalties and damage to reputation.
Enw Da: **Reputational:**	As above.
Gyfrinachedd: **Privacy:**	No direct impacts from this report
Cydraddoldeb: **Equality:**	No direct impacts from this report

Purpose of the report

This report aims to provide assurance to the Audit and Risk Assurance Committee (ARAC) on the effectiveness of processes in place across the Health Board in the tracking of progress made to implement external recommendations as raised by auditors, inspectorates and regulators.

Context

The Health Board remains in Targeted Intervention (TI) (Level 4) status with Welsh Government (WG) as a result of challenges relating to financial sustainability, strategy and planning, service delivery and organisational performance. Whilst the Health Board has been de-escalated for 'Governance' from TI (Level 4) to Enhanced Monitoring (Level 3), the Health Board has to meet the revised set criteria, which includes:

- Evidence that all recommendations from the Royal Colleges / Health Inspectorate Wales (HIW) and other reviews specific to Hywel Dda UHB are discharged and either verified or delivered or scheduled for delivery within the Health Board's longer-term improvement plan *(TI criteria 12)*; and
- Demonstrate a prompt response to any HIW inspections, concerns, incidents, never-events, coroners requests and regulation 28s *(TI criteria 38) – which has replaced the previous criteria of 'Effective response from the Health Board to external reports and reviews including those from Audit Wales, the Ombudsman, Royal Colleges and HIW resulting in sustainable improvements.'*

Overview

All reports from audits, reviews and inspections carried out across the Health Board are logged and tracked on AMaT (Audit Management and Tracking), with progress updated by relevant service leads against each recommendation, and evidence requested to be uploaded to demonstrate their progress and full implementation.

AMaT enables services to directly update progress against all recommendations via one central system, promoting a consistent approach with regards to processes and reporting, improvement in transparency and accountability, supporting services with their governance arrangements, and improvement in information flow.

Progress is monitored via the utilisation of a traffic light system based on performance against **original completion dates**. The criteria for this system is as below:

Status	Explanation
Green	Recommendation has been confirmed as completed by the service / directorate lead (*AMAT Status: Complete and awaiting approval / Fully Complete*)
Amber	Recommendation is currently in progress, and within the agreed **original** timeframe for implementation (*AMAT Status: Partially Complete / In Progress*)
Red	Recommendation is in progress, but has exceeded its agreed **original** timeframe for implementation (i.e. overdue) (*AMAT Status: Overdue / Partially Complete (Overdue)*)
External	Recommendations considered to be outside the gift of the Health Board to currently implement, e.g. reliant on an external organisation. Due to current system limitations, the action title has been amended to include the phrase "external" to denote this status.

The Assurance and Risk team and Quality, Assurance and Safety team (QAST) liaise directly with services and review the status of the monitored reports to support the provision of progress updates and revised completion dates where applicable, and to provide technical support as required. Training is also offered to service leads on the AMaT 'Inspection Recommendations and Actions' module by both the Assurance and Risk team and QAST.

For the purpose of this report, data has been extracted at the most recent analysis point at the time of preparation (30 April 2025):

	December 2024	April 2025	Trend	Variation*
Total number of reports	**187**	**178**	↓	N/A
Number of overdue reports	71 (38%)	81 (46%)	↑	■
Number of reports overdue by more than 6 months	33 (18%)	38 (21%)	↑	■
Total number of recommendations	**1,638**	**1641**	↑	N/A
Number of Green recommendations (completed)	997	1015	↑	■
Number of recommendations classified as 'External'	35	47	↑	■
Number of open recommendations	**641**	**626**	↓	■
Number of Amber recommendations (in progress and in line with original timescales)	332	196	↓	■
Number of Red (overdue) recommendations	274	383	↑	■
Number of recommendations without revised timescales (N/K)	157	286	↑	■

This section of the report has now been strengthened by expanding on the length of time recommendations are overdue, i.e. by indicating the number of recommendations which have recently lapsed (within the last 6 months), lapsed over a year ago (12 months overdue), lapsed over 18 months ago, and over 2 years ago (24 months):

	December 2024	April 2025	Trend	Variation *
Number of recommendations overdue by less than 6 months	156	183	↑	
Total number of recommendations overdue by more than 6 months	118**	200 *(see further split in rows below)*	↑	■
Number of recommendations overdue by 6-12 months	*[Not previously reported]*	*70*	*N/A*	

Number of recommendations overdue by 12-18 months	*[Not previously reported]*	*88*	*N/A*	
Number of recommendations overdue by 18-24 months	*[Not previously reported]*	*27*	*N/A*	
Number of recommendations overdue by more than 24 months	*[Not previously reported]*	*15*	*N/A*	

*** December 2024 figure of 118 included all overdue recommendations by 6 months and over. From April 2025 onwards these are further split as shown in the table above.*

*A summary of the variation icons as below:

Variation	■	Concerning trend = a decline that is unlikely to have happened by chance
	■	Usual trend = common cause variation / a change that is within our usual limits
	■	Improving trend = an improvement that is unlikely to have happened by chance

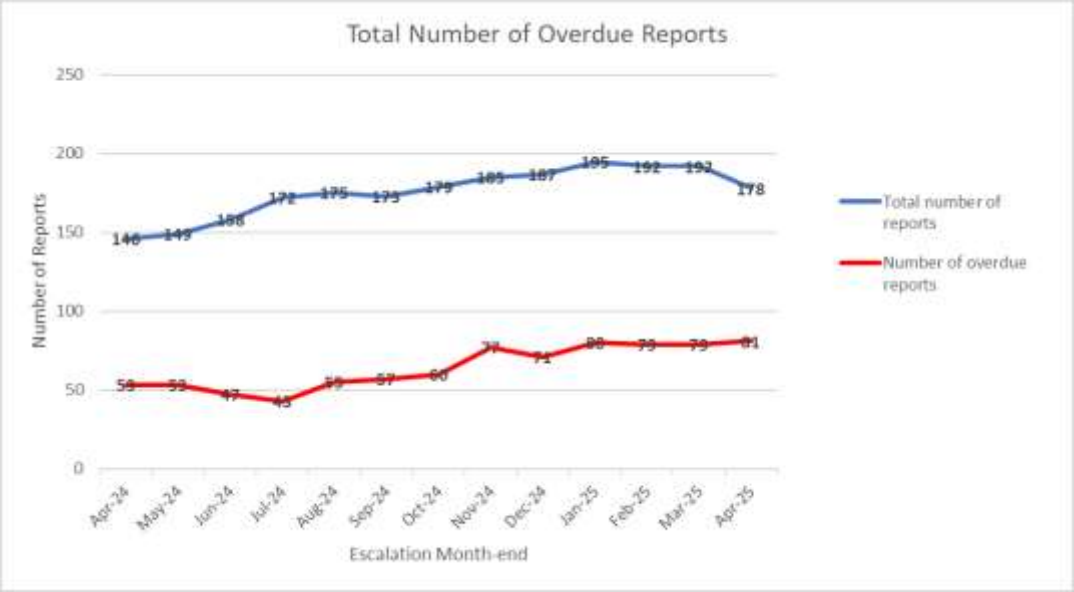
A breakdown per auditor / inspectorate / regulator is provided below:

Inspectorate / Regulator	Open reports as at month-end December 24	Open reports as at month-end April 2025	Open reports which are overdue	Red recommendations	Red recommendations overdue by more than 6 months
Audit Wales (AW)	10	11	6	15	5
Care Inspectorate Wales (CIW)	3	3	2	3	3
Health Education and Improvement Wales (HEIW)	3	2	2	9	9
Health Inspectorate Wales (HIW)	11	11	7	39	31
Human Tissue Authority (HTA)	1	0	0		
Internal Audit	33	35	15	27	10
Llais	1	1	1	2	2
Mid and West Wales Fire and Rescue Service (MWWFRS)	95	81	31	96	13
Natural Resources Wales	1	0	0	0	0
NHS Wales Cyber Resilience Unit	1	2	0	0	0
NHS Wales Executive	4	4	4	8	7
Peer Reviews	10	11	8	102	100
Public Services Ombudsman for Wales (PSOW) – S21	5	6	0	1	0

Public Health Wales	1	1	1	0	0
Royal Colleges	1	1	0	0	0
NHS Wales Shared Services Partnership	3	4	0	62	9
Welsh Risk Pool (WRP)	1	2	2	10	2
Welsh Language Commissioner (WLC)	1	1	1	0	0
Welsh Government	2	2	1	9	9
TOTAL	**187**	**178**	**81**	**383**	**200**

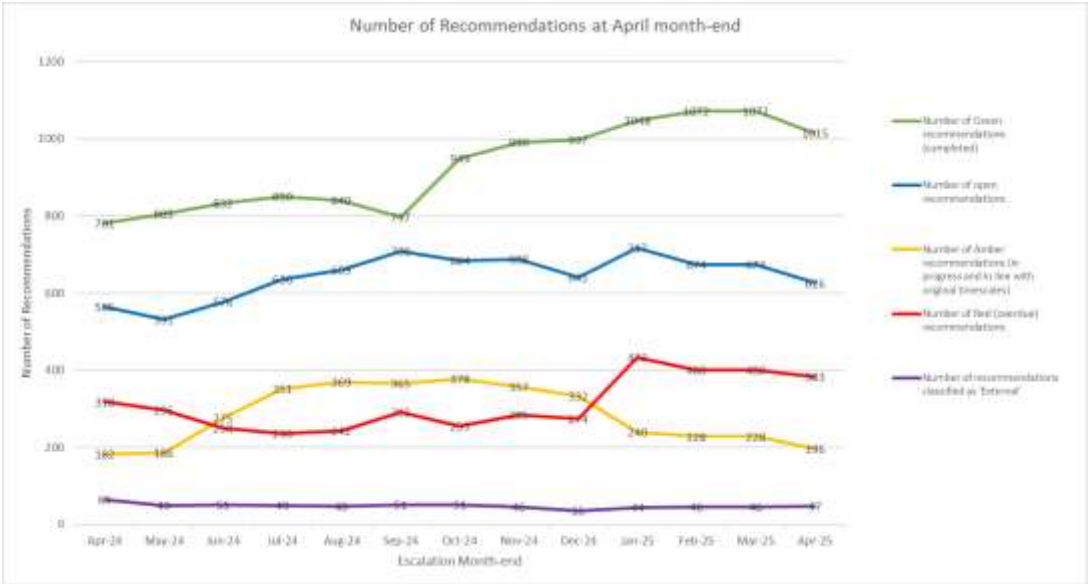
Overdue reports

Whilst there has been a reduction in the total number of open reports since the previous report presented in February 2025 (187 to 178), there is an increase in the number of overdue reports from 71 to 81, primarily driven by Internal Audit reports, and MWWFRS Letters of Fire Safety that have passed their original completion date of 3 months.

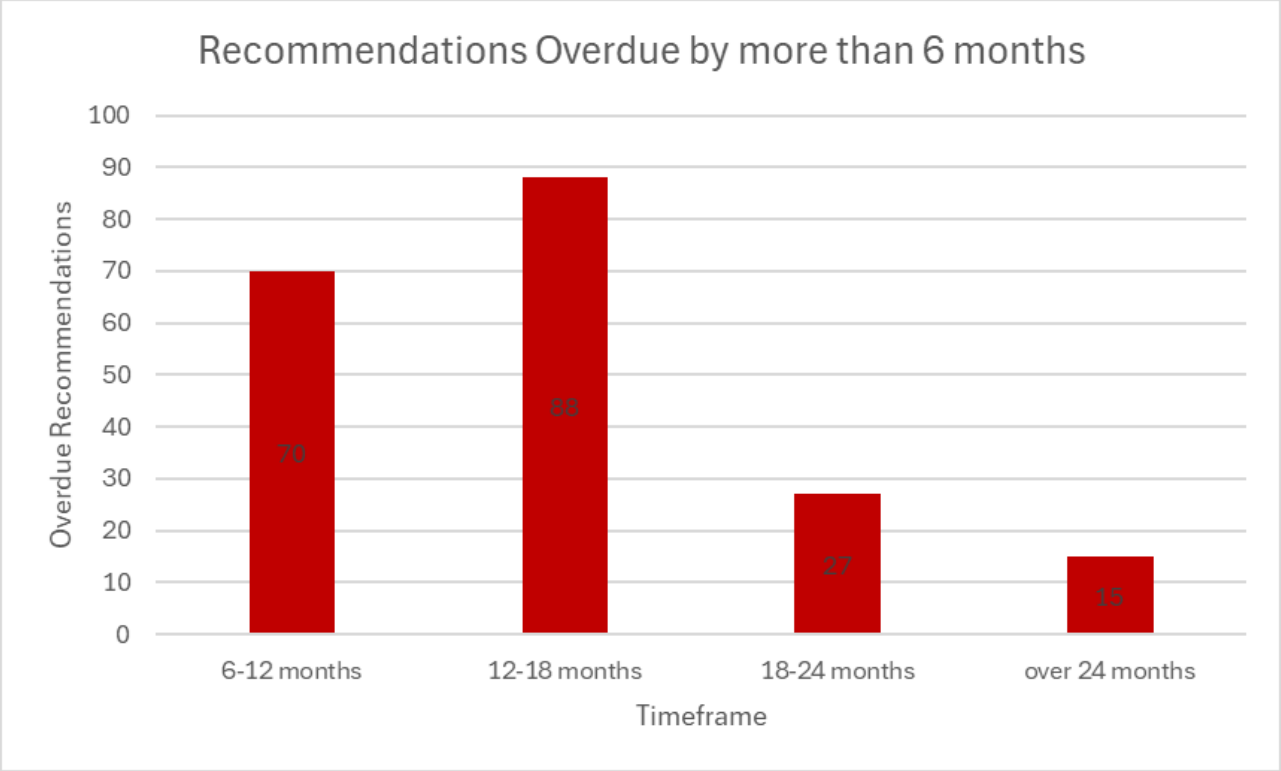


Overdue recommendations

The graph below illustrates the trend in the number of overdue recommendations.



The fluctuating performance of the number of overdue recommendations, along with a consistent trend in the number of recommendations overdue by more than 6 months (see graph below) suggests that the Health Board is not consistently achieving a sustainable reduction in the closure of overdue recommendations, and therefore minimal improvement in addressing long-standing recommendations. This is a result of historical reports where unrealistic timescales were originally provided in management responses to recommendations, and recommendations which cite financial challenges as a barrier to their implementation. It is further exacerbated by current resource and capacity challenges within services, and ageing estate and infrastructure.



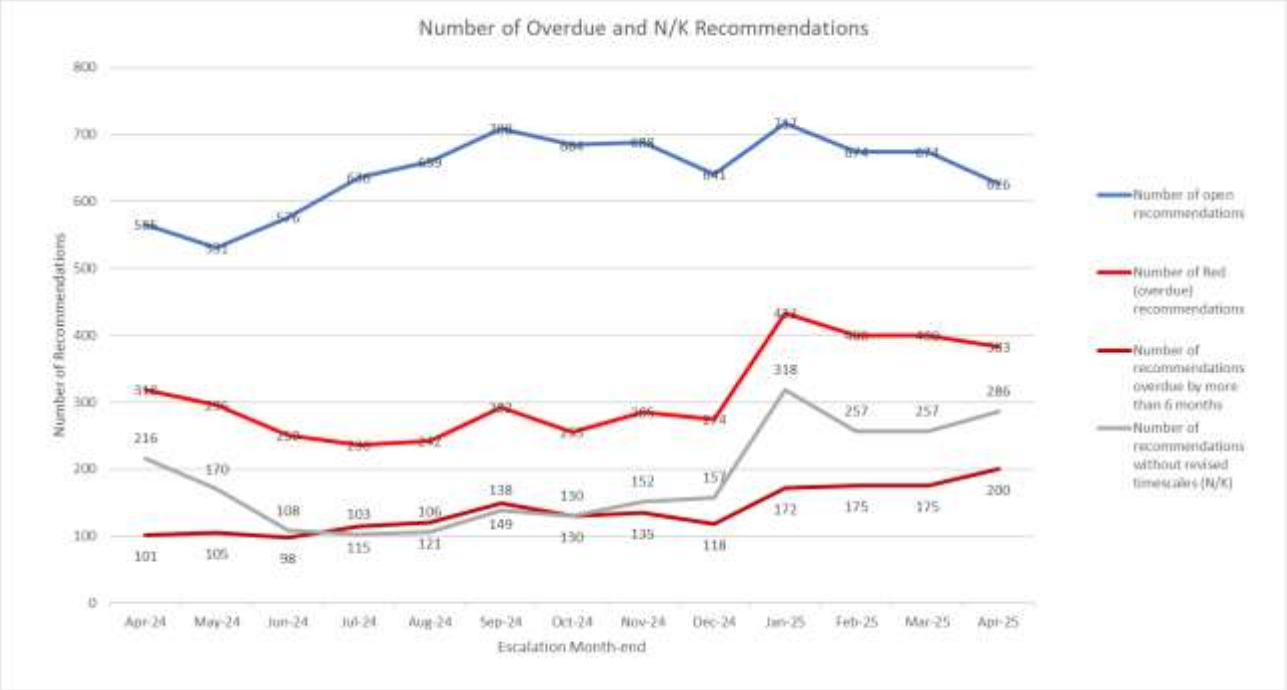
Of all 200 recommendations overdue by greater than 6 months, 47% are attributable to Planned and Specialist Care, and 18% to Mental Health and Learning Disabilities. Of the 15 recommendations overdue by greater than 24 months, 13 are attributable to Planned and Specialist Care. Both Planned Care and Mental Health and Learning Disabilities have been in Level 3 for the Governance domain within the Health Board's internal escalation framework since April 2024.

Analysis of the recommendations overdue by greater than 6 months per audit/ inspectorate/regulator highlight that 100 (50%) are from Peer Review reports, 58 of which are from the *Peer Review – 'Cervical Screening Wales Quality Assurance Visit Report'.* Since the data was extracted for this report, management responses and timescales have now been received for this peer review and will be reflected in the next Audit Tracker Assurance Report.

The Assurance and Risk team has strengthened the escalation criteria within the Governance domain, per the internal escalation framework, to include more detail on those services with long-standing overdue recommendations, with these criteria to be implemented from Q1 of 2025/26, coinciding with the roll-out of new operational

structures. Key improvement metrics for progress against audits and inspection (as well as risk management) are now relayed via the Clinical Care Group (CCG) / Executive Function structures, with a level between 1 and 4 assigned for each metric based on the level of assurance around the targets in each area. The key measures to assess against the Governance domain for audits and inspections are explained in more detail later in this report.

Recommendations without revised timescales



There were 286 (46%) recommendations without revised timescales as at April 2025 (December 2025: 157 (24%).

Recommendations without revised timescales are mainly attributed to the following:

- Reliance on external factors such as further guidance or clarification from relevant inspectorates, regulators or Welsh Government / implementation of national systems to inform revised completion dates;
- Recommendations previously noted as ‘complete’ being re-opened due to lack of appropriate supporting evidence on review by relevant system approvers;
- 53 recommendations lapsed since March 2025 which have yet to be updated with a revised completion date. In the absence of a specific ‘revised date’ field on AMaT, the Assurance and Risk team continues to remind services to provide revised dates on the AMaT system through their progress updates;
- 58 recommendations from the ‘Peer Review – ‘Cervical Screening Wales Quality Assurance Visit Report’ where the CCG had exceeded the timescale for submitting the management responses. Since the numbers were run off for this report, management responses and timescales have now been received and will be reflected in the next Audit Tracker Assurance Report.

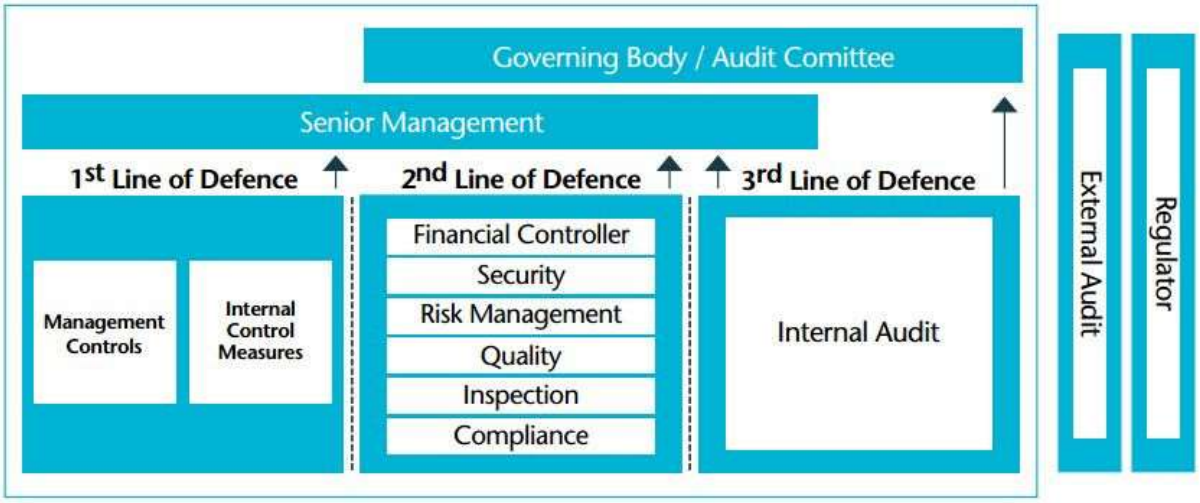
- CCGs / Executive Functions have reviewed recommendations but have not provided a revised completion date when providing progress updates. This may be due to a combination of factors, including financial challenges / resource and capacity challenges which require resolution or clarification in order to provide revised dates. The lack of a specific 'revised date' field on the AMaT system, which could also serve as a prompt, may also be a contributing factor.

Service leads are able to note on AMaT the specific barriers to the full implementation of recommendations. Training materials and sessions highlight the requirement for recommendation owners to include revised completion dates where appropriate when providing progress updates. Guidance is also available on the team's Sharepoint site. The Assurance and Risk team continues to remind services of the need to include revised completion dates within the Assurance and Risk overview reports presented to CCG / Clinical Service Group (CSG) and Executive Function governance meetings, and continue to review recommendations where progress updates have not been obtained, with the relevant business partner for those services prioritising the support offered.

Scoping work has commenced to explore the opportunity to develop performance dashboards on the data captured on AMaT via 'Power BI' with colleagues in QAST and the Performance team. This would provide services with improved oversight of their performance, including the number of recommendations without a revised timescale, and would support the internal escalation framework.

Three Lines of Defence

The Health Board operates within the widely accepted "Three Lines of Defence" model, which provides a simple and effective way to delegate and coordinate roles and responsibilities within an organisation to ensure the appropriate responsibility is allocated for the management, reporting and escalation of the implementation of recommendations.



Operational Management (1st line)

First line of defence are functions which own and manage risk, with operational staff responsible for maintaining internal controls such as processes, procedures and identifying risks, addressing as required.

Progress on implementation of recommendations is discussed at CSG Integrated Governance Group meetings for operational areas, and reported up to their CCG Integrated Governance Group meetings, or senior management meetings for corporate functions. The frequency of these meetings are currently being scheduled to fall in-between alternating Business, Planning and Performance and Quality, Health and Safety CCG meetings. CCG governance arrangements are considered when assessing the escalation status for Governance.

Where meetings are stood down, or in the absence of formal governance arrangements, assurance and risk reports are provided to management and service leads via e-mail to enable them to address any areas of concern.

The table overleaf provides a summary of open reports, and the status of recommendations per CCG, as per the revised internal escalation framework structure for 2025, further detail of which can be found later in the report.

Area	Total number of reports as at April month end 2025	Total number of recommendations as at April month end 2025	Number of Overdue Recommendations	Total number of Recommendations overdue by more than 6	Total number of N/K recommendations
Chief Operating Officer Management					
Chief Operating Officer Management	2	10	5	2	3
Community & Integrated Medicine					
Community & Integrated Medicine	4	94	10	7	9
Director of Allied Health Professions and Health Sciences					
Corporate Allied Health Professions and Health Sciences	1	5	0	0	0
Estates, Facilities and Health & Safety	93	765	163	27	125
Director of Finance					
Finance	3	16	4	0	4
Digital	7	31	5	5	1
Director of Nursing					
Nursing, Quality and Patient Experience	8	49	11	2	10
Director of Public Health					
Public Health	1	4	2	0	2
Director of Strategy and Planning					
Strategy and Planning	11	63	10	3	10
Director of Workforce					
Workforce and Organisational Development	3	16	2	1	1
Medical Director					

Area	Total number of reports as at April month end 2025	Total number of recommendations as at April month end 2025	Number of Overdue Recommendations	Total number of Recommendations overdue by more than 6	Total number of N/K recommendations
Medical Directorate	6	36	9	9	9
Mental Health and Learning Disabilities					
Mental Health and Learning Disabilities	9	157	43	35	31
Operational Allied Health Professions and Health Sciences					
Allied Health Professions and Health Sciences	0	0	0	0	0
AHP&HS: Pathology	2	26	8	7	7
AHP&HS: Radiology	3	30	3	2	2
Planned and Specialist Care					
Cancer and Scheduled Care	12	175	34	29	5
Children, Women and Family Health	5	96	64	64	61
Primary Care, Community Strategy & Long Term Care					
Long Term Care & Chronic Conditions	0	0	0	0	0
Medicines Management	2	35	2	2	2
Primary Care	4	25	7	5	3
Corporate Services					
Governance	2	8	1	0	1
Chief Executive					
Communications	0	0	0	0	0
Total:	**178**	**1641**	**383**	**200**	**286**

Oversight of Recommendations (2nd Line)

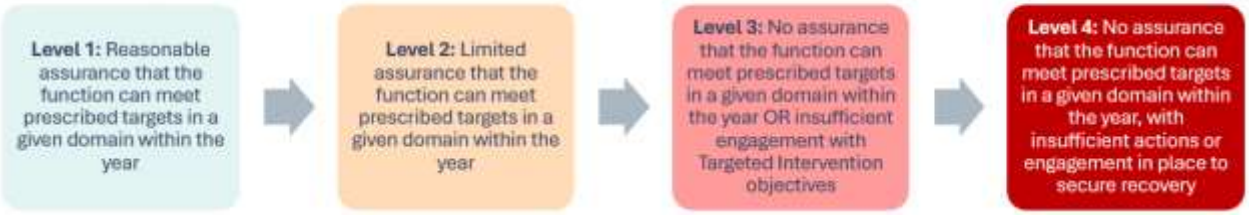
Internal Escalation Framework

The Health Board has an internal escalation process, as part of the Executive Improving Together (EIT) Framework, whereby CCG /Executive Functions are assessed on a monthly basis against the following seven domains to drive improvement in performance:

- Quality and safety;
- Governance;
- Workforce;
- Finance;
- Strategy, planning and fragile services;
- Population health; and
- Performance.

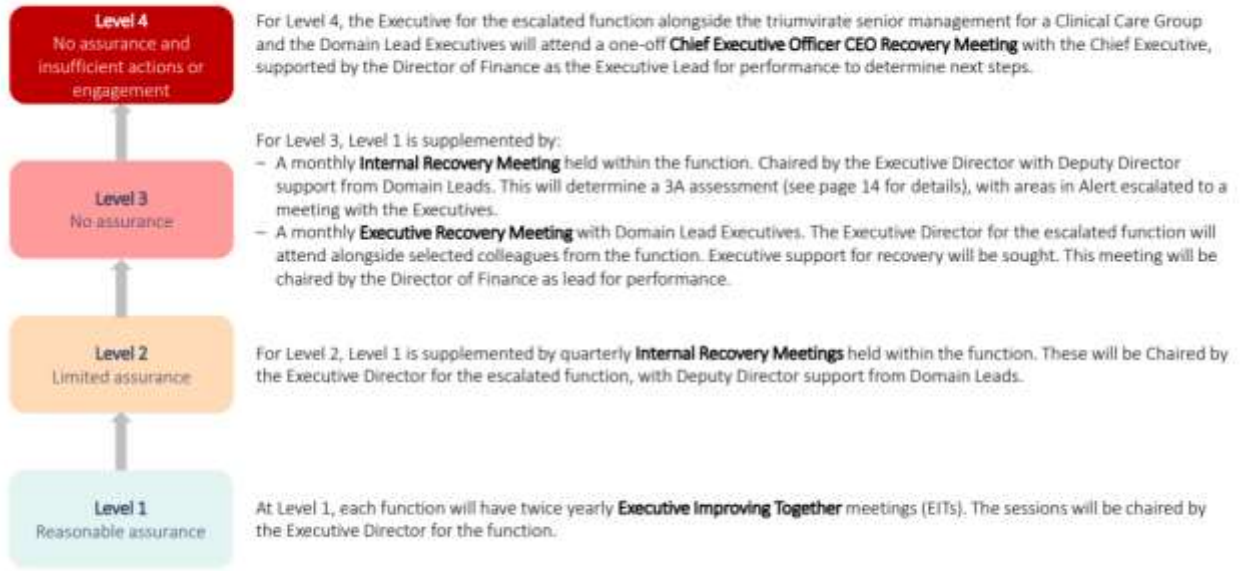
Escalation levels

The lead Executive (or nominated deputy) will assign one of the escalation levels below for their domain for each function. Function leads can replicate internally the escalation process for each of their services/teams if they so wish.



Following a review of the internal escalation process, a new Level 4 has been introduced from April 2025 for functions that are unable to provide any assurance that prescribed targets are being met within the year, are taking insufficient actions, or have unsatisfactory levels of engagement.

Escalation expectations



Each month, the lead Executive Director for each domain (or their nominated deputy) will review the progress of each function (Executive Directorate or Clinical Care Group) against the key improvement metrics for that domain.

Escalation levels for Governance are assigned by the Director of Corporate Governance at month-end for each CCG / Executive Function based on metrics for risk management, audit and inspections, Welsh Health Circulars and Ministerial Directions, and policies, as well as general governance arrangements. The criteria for audits and inspections is outlined below.

Measures to assess against the Governance Domain – Audits and Inspections

Level	Criteria
Level 4 – no assurance and insufficient actions / engagement	No plan in place and no engagement, (e.g., no responses to recommendations raised, no revised dates where original completion dates have lapsed). No evidence that recommendations which are unable to be progressed are escalated via CCG management structures where necessary, no engagement and the ability for leadership to make informed decisions on prioritisation of resources
Level 3 – no assurance	Responses to recommendations have been developed, but the function is not delivering against revised completion dates, with no realistic revised completion dates provided. Management responses have not been developed within a month of receipt of report. **Less than 80% compliance** with achieving original and revised completion dates stipulated against recommendations Limited evidence that recommendations which are unable to be progressed are escalated via CCG management structures where necessary, therefore not demonstrating good engagement and the ability for leadership to make informed decisions on prioritisation of resources
Level 2 – Limited assurance	Responses to recommendations have been developed, but lack of evidence that original timescales are being achieved. Where original completion dates have lapsed, there is evidence that the service has provided realistic revised completion dates. **Between 80-90% compliance** with achieving original completion dates stipulated against recommendations Some evidence that recommendations which are unable to be progressed are escalated via CCG management structures where necessary, demonstrating engagement and the ability for leadership to make informed decisions on prioritisation of resources
Level 1 – Reasonable assurance	Responses to recommendations have been developed and the function is delivering against original completion dates **Over 90% compliance** with achieving original completion dates stipulated against recommendations Evidence that recommendations which are unable to be progressed are escalated via CCG management structures where necessary, demonstrating good engagement and the ability for leadership to make informed decisions on prioritisation of resources

A summary of each CCG / Executive Function's performance for the Governance domain can be found in the following table:

Service	December 2024	January 2025	February 2025	March 2025	April 2025
Chief Operating Officer Management	N/A	N/A	N/A	N/A	2
Community & Integrated Medicine	N/A	N/A	N/A	N/A	2
Estates & Facilities	2	3	3	3	3
Executive Director of Allied Health Professions and Health Sciences	N/A	N/A	N/A	N/A	1
Executive Director of Finance	2	2	2	2	2
Executive Director of Nursing, Quality and Patient Experience	2	1	1	1	2
Executive Director of Public Health	1	1	1	2	2
Executive Director of Strategy and Planning	2	2	2	2	2
Executive Director of Workforce and Organisational Development	1	1	1	1	1
Executive Medical Director	2	2	3	3	2
Governance and Communication	N/A	N/A	N/A	N/A	1
Mental Health and Learning Disabilities	3	3	3	3	3
Operational Allied Health Professions and Health Sciences	N/A	N/A	N/A	N/A	2
Planned and Specialist Care	N/A	N/A	N/A	N/A	3
Primary Care, Community Strategy & Long Term Care	N/A	N/A	N/A	N/A	2

Along with risk management, the implementation of recommendations as raised by inspectorates, regulators, auditors and peer reviews has been the dominant factor in assessing directorates' escalation levels. The minimum requirement for a service to be

de-escalated to Level 2 is that 80% of audit and inspection recommendations are implemented within agreed timescales, and 90% to achieve Level 1 status.

Detailed analysis of those CCGs / Executive Functions who have been awarded either Level 2 or 3 status as at April 2025 is provided below, based on performance in the management of recommendations (to note, no functions were awarded Level 4 in April 2025).

Level 3 - No Assurance

Estates and Facilities

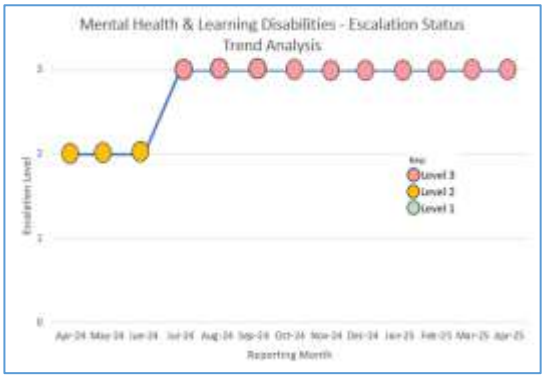
As at 30 April 2025, Estates and Facilities has 91 open reports with 32 reports noted as overdue (36%). 78 open reports relate to Letter of Fire Safety Matters (LOFSMs) and 3 relate to Enforcement Notices. 163 recommendations are overdue (21%), 27 are overdue by greater than 6 months, with 1 recommendation 9 months overdue. 125 recommendations are without revised timescale.

At their escalation meeting in April, Estates provided a trajectory of improving their compliance within 90% by September 2025. 30 LOFSMs were closed in April 2025 following formal approval for closure sought from the Executive Director, as per new process.

Monthly Operational Risk and AMaT Report meetings have now been established, taking place from June 2025, to review risks and overdue reports/recommendations. The Assurance and Risk business partner will be in attendance to support the provision of progress updates and revised completion dates where applicable. This is in addition to the monthly meetings between the Head of Compliance for Estates & Facilities, Site Managers and the Assurance and Risk business partner.

Estates and Facilities Integrated Governance Group meetings are now in place, with Assurance and Risk Officer present to support.

Mental Health & Learning Disabilities (MHLD)

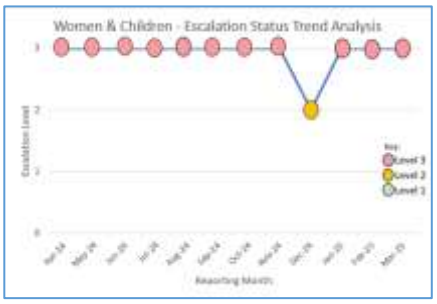


As at 30 April 2025, MHLD had 9 open reports with 7 reports (78%) overdue. 43 recommendations are overdue (27), 35 being overdue by greater than 6 months (4 overdue between 6-12 months, 15 overdue between 12-18 months, 16 overdue over 24 months).

4 reports are reliant on other CCGs to complete overdue recommendations - 2 HIW reports have all 3 overdue recommendations to be implemented by Estates and Facilities and 2 NHS Executive reports have 3 overdue recommendations to be implemented by Children, Women and Family Health (CW&FH).

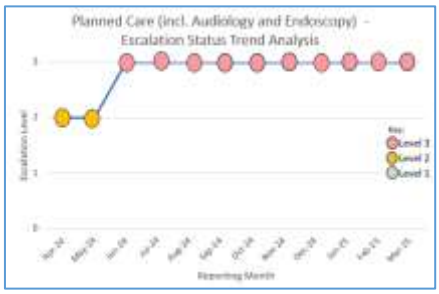
CCG meetings in place, with first meeting held on 15 April 2025, and CSG meetings to be in place shortly, with Assurance and Risk Officer present to support. Regular monthly meetings are held with the Assistant Director of Nursing MHLD to review risks and recommendations and there is regular communication with the individual service leads, with advice and support provided by the Assurance and Risk Officer. The Assurance and Risk Overview reports are also submitted on a monthly basis, for information and review.

Planned & Specialist Care *(graphs show previous trend analysis to March 2025 before CCG restructure)*



Since the previous report in February 2025, Cancer Services, Planned Care and Children, Women and Family Health are now situated under the Planned and Specialist Care CCG.

As at 30 April 2025, the CCG had 17 open reports of which 12 are overdue (71%). There are 271 open recommendations of which 98 are overdue (36%). 93 recommendations are overdue by greater than 6 months, of which 18 are overdue by 6-12 months, 61 are overdue by 12-18 months, 1 is overdue by 18-24 months and 13 are overdue by over 24 months. Of the 98 overdue recommendations, 64 recommendations are assigned to CW&FH, 32 are assigned to Planned Care and 2 are assigned to Cancer Services. 58 of the overdue recommendations relate to the Peer Review – Cervical Screening Wales Quality Assurance Visit Report which sits with CW&FH (since the figures of this report have been run off 17 recommendations have been completed which will be reflected in the next Audit Tracker Assurance Report), 6 recommendations relate to GIRFT - Gynaecology Review and 27 recommendations relate to the historic Ophthalmology reports.



A meeting took place on 8 May 2025 between the Director of Corporate Governance, the Interim Medical Director, the Chief Operating Officer and the Ophthalmology Service lead to discuss the outstanding recommendations on the historical Ophthalmology reports. As a result, the following 4 reports are to be closed following formal Executive sign off, resulting in 8 overdue recommendations to be closed:

- CHC Eye Care Services in Wales, March 2020
- NHS Delivery Unit Focus on Ophthalmology: Assurance Reviews, issued January 2016
- HIW Thematic Review of Ophthalmology 2015/16
- NHS Delivery Unit All Wales Review of progress towards delivery of Eye Care Measures 2019

At the meeting, the GIRFT Ophthalmology review report was also discussed, resulting in 12 of the 21 overdue recommendations being completed. These figures will be reflected in the next Audit Tracker Assurance Report.

Fortnightly CCG and CSG governance meetings are now in place, with a report provided by the Assurance and Risk Officer summarising open reports assigned to the CCG and CSG, and recommendations that require updating.

Level 2 - Limited Assurance

The following services were awarded a Level 2 as at April 2025:

Service	Reason for award of L2	De-escalation Criteria
Chief Operating Officer Management	5 (50%) recommendations overdue. Level 2 awarded due to low numbers.	To achieve de-escalation to Level 1, 90% of recommendations to be implemented within agreed timescales
Community and Integrated Medicine	10 (11%) recommendations overdue.	To achieve de-escalation to Level 1, 90% of recommendations to be implemented within agreed timescales
Medicines Management	17% of recommendations overdue.	To achieve de-escalation to Level 1, 90% of recommendations to be implemented within agreed timescales
Executive Director of Finance	19% of recommendations overdue.	To achieve de-escalation to Level 1, 90% of recommendations to be implemented within agreed timescales and governance meetings to be scheduled in order to provide reasonable assurance
Executive Director of Nursing	11 (22%) recommendations overdue	To achieve de-escalation to Level 1, 90% compliance of risks and risk actions being updated within required timescales and 90% of recommendations to be implemented within agreed timescales
Executive Director of Public Health	2 recommendations (50%) overdue	To achieve de-escalation to Level 1, 90% of recommendations to be implemented within agreed timescales
Executive Director of Strategy and Planning	10 (16%) recommendations overdue	To achieve de-escalation to Level 1, 90% compliance of risks and risk actions being updated within required timescales and 90% of

		recommendations to be implemented within agreed timescales
Executive Medical Director	9 (25%) recommendations overdue	To achieve de-escalation to Level 1, 90% of recommendations to be implemented within agreed timescales
Operational Allied Health Professions & Health Sciences	11 (20%) recommendations overdue	To achieve de-escalation to Level 1, 90% of recommendations to be implemented within agreed timescales
Primary Care, Community Strategy & Long Term Care	15% recommendations overdue (12% by over 6 months)	To achieve de-escalation to Level 1, 90% of recommendations to be implemented within agreed timescales

The Director of Corporate Governance engages with directorates where there has been limited progress in the previous 3 months to offer additional support.

Board and Committee Oversight

Responsibility for oversight of the timely implementation of external recommendations has been devolved to the Board Committees, Sub-Committees and Groups. On receipt of reports from inspectorates and regulators, these should be presented to the relevant committee for awareness of their findings, highlighting recommendations which have been raised. This process is followed for reports issued by Internal Audit, External Audit, Peer Reviews, HIW and CIW. The process of obtaining formal approval for the closure of Peer Reviews requires the relevant Lead Executive to confirm that all recommendations have been appropriately implemented. Assurance on the overall process of tracking recommendations is undertaken by ARAC.

Thematic Analysis

As part of the second line of defence, themes are assigned to each recommendation, which allows the Health Board to analyse groups of similar recommendations. Additional themes from Internal Audit reports have been added.

The table below provides a thematic analysis for all open recommendations per theme as at month-end April 2025, compared to the last report in February 2025:

Theme	**December 2024**	**April 2025**	**Trend**
Fire	37%	28%	↑
Health and Safety	12%	15%	↑
Quality, Safety & Patient Experience	11%	16%	↑
Safe	6%	0%	↓
Workforce	7%	7%	→

Governance	3%	3%	→
Patient Safety	2%	0%	↓
Finance	2%	2%	→
Training & Development	1%	2%	↑
Performance Monitoring	1%	1%	→
Reputation	1%	1%	→
Infection Control	1%	1%	→
Information, Data Quality & Data Accuracy	1%	6%	↑
Information Governance	0%	0.5%	↓
Physical Security	1%	<0.5%	↓
NICE/National Guidance	1%	<0.5%	↓
Partnerships	0.5%	<0.5%	→
Safeguarding	0.5%	<0.5%	→
Capital	<0.5%	<0.5%	→
Estates	<0.5%	1%	↑
Medication	<0.5%	<0.5%	→
Environmental	<0.5%	0%	↓
Additional themes below added from Internal Audit reports			
Policies & Procedures	N/A	2%	N/A
Communication & Engagement	N/A	1%	N/A
Capital Estates	N/A	1%	N/A
Financial Management & Control	N/A	1%	N/A
Planning, Delivery & Deadline Management	N/A	0.5%	N/A
Reputation	N/A	0.5%	N/A
Resourcing	N/A	0.5%	N/A
Strategy	N/A	0.5%	N/A
Capital Equipment	N/A	<0.5%	N/A
ICT (Information and Communications Technology)	N/A	<0.5%	N/A
Person Centred	N/A	<0.5%	N/A
Reporting	N/A	<0.5%	N/A
Risk Management	N/A	<0.5%	N/A

It is noted that 95 of the 187 (50%) reports currently open have been issued by Mid and West Wales Fire and Rescue and Service (MWWFRS), resulting in a large proportion of recommendations being assigned the theme of “Fire”.

During quarter 3 of 2024/25, the Assurance and Risk team commenced sharing recommendations with themed subject matter experts (replicating the process undertaken of sharing of thematic risk registers) on a bi-monthly basis, with ongoing review to ensure alignment between both Datix and AMaT.

Independent Assurance (3rd line)

The third line of defence relates to those who provide independent assurance over the management arrangements in place and, where appropriate, can advise on control strategies.

On 11 March 2025, the Cabinet Secretary for Health and Social Care announced that three areas have now been de-escalated from targeted intervention to enhanced monitoring (level 3), reflecting the progress our teams have made in these areas. One of the three de-escalated areas was Governance, which reflects increased WG confidence in our systems of assurance (also reflected in AW Structured Assessment 2024).

Next steps

This report has identified a number of areas that could be strengthened, and further work is already underway to address these:

- Where system improvements have been identified in relation to the recording, reporting and monitoring of implementation of recommendations on AMaT, to follow up requests with the national systems team to address these gaps;
- To work with the Performance team and explore and confirm timescales, when capacity allows, to develop performance dashboards via 'Power BI', replicating the detail as utilised for the monitoring of risks via the internal escalation framework, so that this information is readily available to users across the Health Board;
- Further development of the Assurance and Risk Sharepoint site to provide guidance and support, including the development of material detailing the purpose and benefits of tracking recommendations and supporting processes within the Health Board to ensure transparency and accountability;
- Reiterating the importance of developing SMART action plans to ensure CCGs develop management responses which are credible and deliverable. Information on developing SMART responses is available from the Assurance and Risk Sharepoint site and shared at CCG and CSG meetings. This will also be included in the Corporate Governance training which will be provided to CCGs in July 2025.

8

12:25, 0 Mins

8 - Year-end Governance

8.1

12:25, 10 Mins

8.1 - Audit Wales ISA 260 and Letter of Representation

Huw Thomas (Hywel Dda UHB - Director of Finance)

For assurance

Attachments

8.1 HDdUHB Audit of Accounts 2024-25_Final.pdf

Archwilio Cymru
Audit Wales

Audit of Accounts Report – Hywel Dda University Health Board

Audit year: 2024-25

Date issued: June 2025

Document reference: 4952A2025

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We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

Introduction

Adrian Crompton

Auditor General for Wales

I am pleased to share my Audit of Accounts Report. The Report summarises the main findings from my audit of your 2024-25 Annual Report and Accounts. My team have already discussed these findings with the Director of Finance and his team.

My team have substantially completed the audit work as set out in my Audit Plan dated March 2025. The remaining tasks involve:

- completion of the engagement quality control review of our proposed qualified regularity opinion (an internal Audit Wales process) and;
- some final review processes to be undertaken by the Audit Manager and Engagement Lead.

We will update the Audit and Risk Assurance Committee on the conclusions of our work at the meeting on 24 June 2025.

Since my Audit Plan, I have updated materiality to reflect the 2024-25 accounts. I have not identified any new audit risks. My response to previously identified risks is set out in **Appendix 1**.

I am required to provide an opinion on whether the accounts have been properly prepared, and give a true and fair view, in all material aspects, and whether income and expenditure have been applied to the purposes intended. My proposed audit opinion and basis for it is outlined on page 10.

It is the responsibility of the those charged with governance, ie the Board to address any matters raised in my report and provide me with a Letter of Representation.

I would like to extend my gratitude to the officers and staff of the Health Board for their cooperation throughout the audit process which has been invaluable in completing this audit effectively.

Your audit at a glance

We intend to issue an **unqualified true and fair opinion** but a qualified regularity opinion on the accounts. The audit opinion in respect of the regularity of expenditure is qualified because the Health Board did not meet its revenue resource allocation over the three-year period ending 31 March 2025.

See **Appendix 4**

There are no **significant matters** to report.

We are also proposing to issue a **substantive report** regarding the Health Boards failure to meet its two statutory duties under the National Health Service Finance (Wales) Act 2014.

See **Audit findings**

There are no **uncorrected non-trivial misstatements** in the accounts which we wish to draw to your attention.

See **Audit findings**

The recommendations arising from our work will be set out in an Accounts Memorandum which will be communicated with officers in due course.

We are aiming to certify your accounts on **27 June 2025**, which is ahead of the deadline of **30 June 2025**.

Materiality

I use professional judgement to set a materiality threshold to identify and correct misstatements that could affect users' decisions, considering both financial errors and disclosure requirements according to the applicable accounting framework and laws. My team updates materiality throughout the audit and I include in this report matters that exceed my reporting threshold, as set out below:

Materiality

Set at 1% of gross expenditure based upon the 2024-25 draft financial statements.

Audited body
£14.336 million

Reporting threshold (trivial)

Set at 5% of materiality.

Audited body
£0.717 million

There are some areas of the financial statements that may be of more importance to the user of the accounts. We confirm lower materiality levels for these:

Remuneration report

£5,000 (including exit packages)

Related party disclosures

£10,000 (Individuals)
£14.336 million (Other Bodies)

Audit Findings

Misstatements

A misstatement arises where information in the financial statements is not in accordance with accounting standards.

There were no above trivial misstatements identified in the financial statements.

Uncorrected misstatements

There are no uncorrected misstatements above our trivial level of £0.717 million.

Corrected misstatements

During our audit, we identified misstatements that have been corrected by management, but which we consider should be drawn to your attention.

These are set out in **Appendix 2**.

Other significant issues

International Standard on Auditing 260 requires us to communicate with those charged with governance. We must tell you significant findings from the audit and other matters if they are significant to your oversight of the Health Boards financial reporting process.

There were no such issues identified during the audit.

Proposed audit opinion

Audit opinion

We intend to issue an unqualified true and fair audit opinion but a qualified regularity opinion on this year's accounts once you have provided us with a Letter of Representation (see below).

Our proposed audit report is set out in **Appendix 3**. The audit report explains that the regularity opinion for 2024-25 is qualified. In line with prior years, the regularity opinion is qualified because the Health Board did not meet its revenue resource allocation over a three-year period ending 31 March 2025.

The Auditor General also intends to issue a substantive report which explains why our audit opinion in respect of the regularity of expenditure is qualified. This report will also refer to the fact that the Health Board did not meet its financial duty to have an approved three-year integrated medium-term plan for the period 2024-25 to 2026-27. The regularity opinion is not qualified for this.

Letter of representation

A Letter of Representation is a formal letter in which you confirm to us the accuracy and completeness of information provided to us during the audit. Some of this information is required by auditing standards; other information may relate specifically to your audit.

The letter we are requesting you to sign is included in **Appendix 4** the contents of which are in line with our standard request for representations.

Audit team and ethical compliance

The main members of my team who carried out the audit work, together with their contact details, are summarised in **Exhibit 1**.

Exhibit 1: my local audit team

Engagement Lead	Anthony Veale anthony.veale@audit.wales
Audit Manager	David Williams david.williams@audit.wales
Audit Lead	Eleanor Ansell eleanor.ansell@audit.wales

Compliance with ethical standards

We confirm that:

- we have complied with the ethical standards we are required to follow in carrying out our work;
- we have remained independent of yourselves;
- our objectivity has not been comprised; and
- we have no relationships that could undermine our independence or objectivity.

Staff secondment

As disclosed in our Detailed Audit Plan, we explained that an employee of Audit Wales was on secondment with the Health Board. To safeguard against any potential threats to auditor independence and objectivity, the

following restrictions were applied and adhered to in line with the Financial Reporting Council's Revised Ethical Standard 2024:

- the secondee did not undertake any management responsibilities; and
- the secondment was short term (no more than 12 months).

Note 30 of the accounts explains that an Independent Member of the Health Board has a close family member who is employed by Audit Wales. We can confirm that this member of our staff is not involved with the operational delivery of our audit work and is restricted from being involved in any audit or other work at the Health Board.

Appendix 1 – Audit risks and outcomes

My Audit Plan set out the risks of material misstatement and irregularity for the audit of Hywel Dda University Health Board's accounts. **Exhibit 2** lists these audit risks and sets out how they were addressed as part of the audit. No additional audit risks have been identified since that need to be brought to your attention.

Exhibit 2: audit risks reported previously, work done and outcome

Audit risk	Work done	Outcome
Risk of management override The risk of management override of controls is present in all entities. Due to the unpredictable way in which such override could occur, it is viewed as a significant risk [ISA 240.32-33].	The audit team: • tested the appropriateness of journal entries and other adjustments made in preparing the accounts; • reviewed accounting estimates for bias; and • evaluated the rationale for any significant transactions outside the normal course of business.	My audit work did not identify any instances of management override of controls.

Failure of financial duties

Health Boards are required to meet two statutory duties – known as the first and second financial duties.

The Health Board will fail to meet its first financial duty to break even over a three-year period. The position at month 10 shows a year-to-date deficit of £21.003 million and a forecast year-end deficit of £24.000 million. This combined with the outturns for 2022-23 and 2023-24, predicts a three-year deficit of £148.859 million.

Where you fail this financial duty, we will place a substantive report on the financial statements highlighting the failure and qualify your regularity opinion.

Whilst there is virtually no risk of management judgements and estimates being biased to enable the Health Board to achieve the financial duty to break even over three years, there is however an expectation that the Health Board will meet its in year control total set by the Welsh Government of £31.5 million (deficit).

The audit team:

- monitored the Health Board's financial position for 2024-25 and the cumulative three-year position to 31 March 2025; and
- undertook expenditure cut-off testing as well as testing on areas of the financial statements which contain judgements such as year-end accruals; to ensure that transactions have been reported in the correct accounting period.

My audit work confirmed that the Health Board did not meet the two statutory duties.

Audit risk	Work done	Outcome
The second financial duty requires Health Boards to prepare and have approved by Welsh Ministers a rolling three year integrated medium term plan. Should you fail this financial duty, we will place a substantive report on the financial statements highlighting this fact.		
Remuneration report disclosures There have been some new permanent and interim appointments to senior officer and board member posts during 2024-25 which need to be captured in the remuneration report. There is a risk that these are not appropriately disclosed in the remuneration report as remuneration paid to senior officers and board members continues to be of high interest and is material by nature. Therefore, there is a risk that even low value errors in the disclosure could result in a material misstatement.	The audit team: • have understood the movements in the senior management team during 2024-25; • ensured that the remuneration disclosed is consistent with supporting evidence; • ensured that amounts paid are consistent with those approved by the Board and are in accordance with Welsh Government pay rates; and • ensured that disclosures are complete based on the team's knowledge and are prepared in accordance with requirements.	My audit work did not identify any material misstatements in the remuneration report disclosures.

Valuation of property assets

The valuation of property assets reflected in the balance sheet and notes to the accounts are material estimates.

Property assets are required to be held on a valuation basis which is dependent on the nature and use of the assets. This estimate is subject to a high degree of subjectivity, depending on the specialist and management assumptions and changes in these can result in material changes to valuations.

Assets are required to be formally revalued every five years as a minimum, with indexation applied in interim years, but values may also change year on year, particularly where there are ongoing refurbishment projects resulting in subsequent capital expenditure being capitalised.

There is a risk that the carrying value of assets recognised in the accounts could be materially different to the current value of assets as at 31 March 2025.

The audit team:

- reviewed the indices used by management for reasonableness;
- evaluated the competence, capabilities and objectivity of the professional valuer who provide indices to management and undertake valuations as necessary;
- tested a sample of assets revalued in the year to ensure the valuation basis, key data and assumptions used in the valuation process are reasonable and the revaluations have been correctly reflected in the financial statements;
- confirmation that indexations have been appropriately applied and have been correctly reflected in the financial statements; and
- tested the reconciliation between the financial ledger and the asset register.

My audit work did not identify any material misstatements in the valuation of property assets.

Audit risk	Work done	Outcome
Related party disclosures The financial statements must disclose any related party relationships along with the transactions and balances between the Health Board and the other body / party. The Health Board has many different relationships that could be considered a related party. Many are well known for example, Welsh Government as funder. However, where related party relationships arise via individual officer or member relationships, there is likely to be less transparency regarding these relationships. These transactions are of high interest and are considered to be material by their nature. There is a risk of material misstatement due to incomplete or inaccurate disclosures, even where these are of relatively low value.	The audit team: • reviewed management's process for identifying related party relationships and associated transactions and balances; • undertook procedures to confirm the completeness of related party relationships; and • ensured disclosures are complete, accurate, consistent with evidence and are in accordance with requirements.	My audit work did not identify any material misstatements in the related party disclosures.

Appendix 2 – Summary of corrections made

During our audit, we identified the following misstatements that have been corrected by management, but which we consider should be drawn to your attention.

Value of correction	Accounts area	Explanation
Narrative (Disclosure only – no impact on the primary statements and reported deficit position)	**Note 3.1 Expenditure on Primary Healthcare services** Managed practice salary costs were not disclosed in line with the NHS Manual for Accounts. The note was updated to include the disclosure of these managed practice salary costs (£7.750 million).	To ensure compliance with the NHS Manual for Accounts.
Narrative (Disclosure only – no impact on the primary statements and reported deficit position)	**Note 17 Cash and Cash Equivalents** The narrative value attributed to changes in lease liabilities (ROUA) was originally disclosed as £0.174 million. This was amended to the correct figure of £0.876 million.	To ensure the accuracy and consistency of the disclosure for the reader of the accounts and compliance accordance with the NHS Manual for Accounts.
Narrative (Disclosure only – no impact on the primary statements and reported deficit position)	A small number of other narrative, presentational and below trivial amendments were made to the draft financial statements and other reports.	To ensure the accuracy and clarity of disclosures for the reader of the financial statements and compliance with the NHS Manual for Accounts.

Appendix 3 – Proposed audit report

The Certificate and report of the Auditor General for Wales to the Senedd

Opinion on financial statements

I certify that I have audited the financial statements of Hywel Dda University Health Board (the Health Board) for the year ended 31 March 2025 under Section 61 of the Public Audit (Wales) Act 2004.

These comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Cash Flow Statement and Statement of Changes in Taxpayers' Equity and related notes, including a summary of material accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual.

In my opinion, in all material respects, the financial statements:

- give a true and fair view of the state of affairs of Hywel Dda University Health Board as at 31 March 2025 and of its net operating costs for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual; and
- have been properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made there under by Welsh Ministers.

Opinion on regularity

In my opinion, except for the matter(s) described in the Basis for Qualified Regularity Opinion section of my report, in all material respects, the expenditure and income in the financial statements have been applied to the purposes intended by the Senedd and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for Qualified Opinion on regularity

I have qualified my opinion on the regularity of the Hywel Dda University Health Board's financial statements because the Health Board has breached its resource limit by spending £148.998 million over the amount

that it was authorised to spend in the three-year period 2022-2023 to 2024-2025. This spend constitutes irregular expenditure.

Further detail is set out in my Report on page XX (to be updated by the Health Board).

Basis for opinions

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of financial statements and regularity of public sector bodies in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my certificate.

My staff and I are independent of the Board in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for Hywel Dda University Health Board is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

Other information

The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. The Chief Executive is responsible for the other information contained within the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon. My responsibility is to read the other information and, in doing so,

consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion, the part of the remuneration report to be audited has been properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made there under by Welsh Ministers.

In my opinion, based on the work undertaken in the course of my audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made there under by Welsh Minsters' directions; and;
- the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with Welsh Ministers' guidance.

Matters on which I report by exception

In the light of the knowledge and understanding of the Health Board and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Accountability Report.

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

- I have not received all the information and explanations I require for my audit;
- adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by my team;
- the financial statements and the audited part of the Accountability Report are not in agreement with the accounting records and returns;
- information specified by HM Treasury or Welsh Ministers regarding remuneration and other transactions is not disclosed;
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual are not made or parts of the

Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of Directors and the Chief Executive for the financial statements

As explained more fully in the Statements of Directors' and Chief Executive's Responsibilities set out on page XX (to be updated by the Health Board), the Directors and the Chief Executive are responsible for:

- maintaining adequate accounting records
- the preparation of financial statements and annual report in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- ensuring that the annual report and financial statements as a whole are fair, balanced and understandable;
- ensuring the regularity of financial transactions;
- internal controls as the Directors and Chief Executive determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- assessing the Health Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors and Chief Executive anticipate that the services provided by the Health Board will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the National Health Service (Wales) Act 2006.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- Enquiring of management, the Head of Internal Audit and those charged with governance, including obtaining and reviewing supporting documentation relating to Hywel Dda University Health Board's policies and procedures concerned with:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: management override of controls and posting of unusual journals.
- Obtaining an understanding of Health Board's framework of authority as well as other legal and regulatory frameworks that the Health Board operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of Health Board.
- Obtaining an understanding of related party relationships.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Audit Risk and Assurance Committee and legal advisors about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance and the Board;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities,

the effectiveness of the Health Board's controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Other auditor's responsibilities

I am also required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Senedd and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report

Please see my Report on pages X to Y (to be updated by the Health Board).

Adrian Crompton

Auditor General for Wales

27 June 2025

1 Capital Quarter

Tyndall Street

Cardiff

CF10 4BZ

Report of the Auditor General to the Senedd

Introduction

Under the Public Audit Wales Act 2004, I am responsible for auditing, certifying and reporting on Hywel Dda University Health Board's (the Health Board's) financial statements. I am reporting on these financial statements for the year ended 31 March 2025 to draw attention to two key matters for my audit. These are the failure against the first financial duty and consequential qualification of my 'regularity' opinion and the failure of the second financial duty. I have not qualified my 'true and fair' opinion in respect of any of these matters.

Financial duties

Health Boards are required to meet two statutory financial duties – known as the first and second financial duties.

For 2024-25, the Health Board failed to meet both the first and the second financial duty.

Failure of the first financial duty

The **first financial duty** gives additional flexibility to Health Board's by allowing them to balance their income with their expenditure over a three-year rolling period. The three-year period being measured under this duty this year is 2022-2023 to 2024-2025.

As shown in Note 2.1 to the Financial Statements, the Health Board did not manage its revenue expenditure within its resource allocation over this three-year period, exceeding its cumulative revenue resource limit of £3,631.395 million by £148.998 million.

Where a Health Board does not balance its books over a rolling three-year period, any expenditure over the resource allocation (ie spending limit) for those three years exceeds the Health Board's authority to spend and is therefore 'irregular'. In such circumstances, I am required to qualify my 'regularity opinion' irrespective of the value of the excess spend.

Failure of the second financial duty

The **second financial duty** requires Health Board's to prepare and have approved by the Welsh Ministers a rolling three-year integrated medium-term plan. This duty is an essential foundation to the delivery of sustainable quality health services. A Health Board will be deemed to have met this duty for 2024-25 if it submitted a 2024-25 to 2026-27 plan approved by its Board to the Welsh Ministers, who were required to review and consider approval of the plan.

As shown in Note 2.3 to the Financial Statements, the Health Board did not meet its second financial duty to have an approved three-year integrated medium-term plan in place for the period 2024-25 to 2026-27.

Adrian Crompton

Auditor General for Wales

27 June 2025

Appendix 4 – Letter of representation

Auditor General for Wales
Wales Audit Office
1 Capital Quarter
Cardiff
CF10 4BZ

26 June 2025

Representations regarding the 2024-25 financial statements

This letter is provided in connection with your audit of the financial statements (including that part of the Remuneration Report that is subject to audit) of Hywel Dda University Health Board for the year ended 31 March 2025 for the purpose of expressing an opinion on their truth and fairness, their proper preparation and the regularity of income and expenditure.

We confirm that to the best of our knowledge and belief, having made enquiries as we consider sufficient, we can make the following representations to you.

Management representations

Responsibilities

As Chief Executive and Accountable Officer I have fulfilled my responsibility for:

- preparing the financial statements in accordance with legislative requirements and the Treasury's Financial Reporting Manual. In preparing the financial statements, I am required to:
  - observe the accounts directions issued by Welsh Ministers/HM Treasury, including the relevant accounting and disclosure requirements and apply appropriate accounting policies on a consistent basis;
  - make judgements and estimates on a reasonable basis;

  - state whether applicable accounting standards have been followed and disclosed and explain any material departures from them; and
  - prepare them on a going concern basis on the presumption that the services of Hywel Dda University Health Board will continue in operation;
- ensuring the regularity of any expenditure and other transactions incurred;
- the design, implementation and maintenance of internal control to prevent and detect error.

Information provided

We have provided you with:

- full access to:
  - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;
  - additional information that you have requested from us for the purpose of the audit; and
  - unrestricted access to staff from whom you determined it necessary to obtain audit evidence;
- the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- our knowledge of fraud or suspected fraud that we are aware of and that affects Hywel Dda University Health Board and involves:
  - management;
  - employees who have significant roles in internal control; or
  - others where the fraud could have a material effect on the financial statements;
- our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others;
- our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements;
- the identity of all related parties and all the related party relationships and transactions of which we are aware;
- our knowledge of all possible and actual instances of irregular transactions.

Financial statement representations

All transactions, assets and liabilities have been recorded in the accounting records and are reflected in the financial statements.

The methods, the data and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.

Related party relationships and transactions have been appropriately accounted for and disclosed.

All events occurring subsequent to the reporting date which require adjustment or disclosure have been adjusted for or disclosed.

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework.

The financial statements are free of material misstatements, including omissions. The effects of uncorrected misstatements identified during the audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Representations by the Board

We acknowledge that the representations made by management, above, have been discussed with us.

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by the Board on 26 June 2025.

We confirm that we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that it has been communicated to you. We confirm that, as far as we are aware, there is no relevant audit information of which you are unaware.

Signed by:	Signed by:
Chief Executive as Accountable Officer	Chair of the Board
Date: 26 June 2025	Date: 26 June 2025

Audit quality

Our commitment to audit quality in Audit Wales is absolute. We believe that audit quality is about getting things right first time.

We use a three lines of assurance model to demonstrate how we achieve this. We have established an Audit Quality Committee to co-ordinate and oversee those arrangements. We subject our work to independent scrutiny by the Institute of Chartered Accountants in England and Wales and our Chair of the Board, acts as a link to our Board on audit quality. For more information see our Audit Quality Report 2024.

Our People

- Selection of right team
- Use of specialists
- Supervisions and review

Arrangements for achieving audit quality
Selection of right team

- Audit platform
- Ethics
- Guidance
- Culture
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We welcome correspondence and telephone calls in Welsh and English.

Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.

8.2

12:35, 10 Mins

8.2 - Final Accounts for 2024/25

Huw Thomas (Hywel Dda UHB - Director of Finance)

For approval

Attachments

8.2 SBAR Annual Accounts 2024-25.pdf

8.2 Final Accounts 2024-25.pdf

8.2 2024-25 Annual Accounts Presentation ARAC June 2025.pdf

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

PWYLLGOR ARCHWILIO A SICRWYDD RISG
AUDIT AND RISK ASSURANCE COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	24 June 2025
TEITL YR ADRODDIAD: TITLE OF REPORT:	Audited Annual Accounts 2024/25
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Huw Thomas, Director of Finance
SWYDDOG ADRODD: REPORTING OFFICER:	Huw Thomas, Director of Finance

Pwrpas yr Adroddiad (dewiswch fel yn addas) **Purpose of the Report** (select as appropriate)
Ar Gyfer Penderfyniad/For Decision

ADRODDIAD SCAA
SBAR REPORT

Sefyllfa / Situation

The Statutory Annual Accounts have been prepared in accordance with the Welsh Government timetable and guidelines. The Audit and Risk Assurance Committee (ARAC) is asked to review and discuss the audited Accounts.

The draft Accounts were submitted to Welsh Government on 2 May 2025.

The draft Accounts have been thoroughly scrutinised by Audit Wales since 2 May 2025. The Audited Accounts are now being presented to ARAC together with the ISA260 from Audit Wales.

The Accounts are being presented to the Board for approval on 26 June 2025.

Submission to Welsh Government is required by 30 June 2025.

Cefndir / Background

Under the National Health Service Act (Wales) 2006 the Health Board is required to prepare accounts for each financial year.

The Accounts must comply with the accounting guidance of the Government Reporting Manual (FReM) which is in force for the financial year in which the accounts are prepared and has been applied by Welsh Government and detailed in the NHS Wales LHB Manual of Accounts.

In preparing the accounts, the Directors are required to apply on a consistent basis the accounting principles laid down by Welsh Ministers, make judgements and estimates which are responsible and prudent and state whether applicable accounting standards have been followed.

Asesiad / Assessment

The Audited Annual Accounts are enclosed for discussion, along with an accompanying presentation.

Key points to note are:

- There has been a rigorous audit undertaken. The draft Accounts were submitted on 2 May 2025 and Audited Accounts are required to be submitted to Welsh Government by 30 June 2025.
- Changes to the draft Accounts have been made for:
  - Typographical errors
  - Additional disclosures

  The changes made to these areas are to aid the reader of the accounts with their interpretation of the data. No changes were required that affected the overall financial position reported.

Argymhelliad / Recommendation

The Audit and Risk Assurance Committee is asked to approve the Audited Annual Accounts for 2024/25, for onward ratification by the Board.

Amcanion: (rhaid cwblhau) **Objectives: (must be completed)**	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	3.25 The Committee shall review the Annual Accounts and Financial Statements before submission to the Board, focusing particularly on: 3.25.1 the ISA 260 report to those charged with governance; 3.25.2 changes in, and compliance with, accounting policies and practices; 3.25.3 unadjusted mis-statements in the financial statements; 3.25.4 major judgemental areas; 3.25.5 significant adjustments resulting from the audit; 3.25.6 other financial considerations include review of the Schedule of Losses and Compensation.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	1199 - Risk of Health Board not meeting statutory requirement to break even on a three year rolling basis due to significant deficit position Score 25
Parthau Ansawdd: Domains of Quality Quality and Engagement Act (sharepoint.com)	Not Applicable
Galluogwyr Ansawdd: Enablers of Quality: Quality and Engagement Act (sharepoint.com)	Not Applicable

Amcanion Strategol y BIP: UHB Strategic Objectives:	Not Applicable
Amcanion Cynllunio Planning Objectives	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2021-2022	10. Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Monitoring returns to Welsh Government based on the Health Board's financial reporting system. Activity recorded in the Accounts Receivable (AR) and Accounts Payable (AP) modules of the Oracle business system; activity recorded in the procurement Bravo system.
Rhestr Termau: Glossary of Terms:	Included within body of the report.
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Archwilio a Sicrwydd Risg Parties / Committees consulted prior to Audit and Risk Assurance Committee:	UHB's Finance Team

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	Financial implications are inherent within the report
Ansawdd / Gofal Claf: Quality / Patient Care:	Risk to our financial position affects our ability to discharge timely and effective care to patients
Gweithlu: Workforce:	Not Applicable
Risg: Risk:	Not Applicable
Cyfreithiol: Legal:	The UHB has a statutory duty to deliver a breakeven financial position over a rolling three-year basis and an administrative requirement to operate within its budget within any given financial year.
Enw Da: Reputational:	Adverse variance against the UHB's financial plan will affect our reputation with Welsh Government, Audit Wales and with external stakeholders
Gyfrinachedd: Privacy:	Not Applicable
Cydraddoldeb: Equality:	Not Applicable

HYWEL DDA UNIVERSITY LOCAL HEALTH BOARD

FOREWORD

These accounts have been prepared by the Local Health Board under schedule 9 section 178 Para 3(1) of the National Health Service (Wales) Act 2006 (c.42) in the form in which the Welsh Ministers have, with the approval of the Treasury, directed.

Statutory background

The Local Health Board was established on 1 June 2009 and became operational on 1 October 2009 and comprises the former organisations of Hywel Dda NHS Trust and Carmarthenshire, Ceredigion and Pembrokeshire Local Health Boards.

Performance Management and Financial Results

Welsh Health Circular WHC/2016/054 replaces WHC/2015/014 'Statutory and Administrative Financial Duties of NHS Trusts and Local Health Boards' and further clarifies the statutory financial duties of NHS Wales bodies and is effective for 2024-25. The annual financial duty has been revoked and the statutory breakeven duty has reverted to a three year duty, with the first assessment of this duty in 2016-17.

Local Health Boards in Wales must comply fully with the Treasury's Financial Reporting Manual to the extent that it is applicable to them. As a result, the primary statement of in-year income and expenditure is the Statement of Comprehensive Net Expenditure, which shows the net operating cost incurred by the Local Health Board which is funded by the Welsh Government. This funding is allocated on receipt directly to the General Fund in the Statement of Financial Position.

Under the National Health Services Finance (Wales) Act 2014, the annual requirement to achieve balance against Resource Limits has been replaced with a duty to ensure, in a rolling 3 year period, that its aggregate expenditure does not exceed its aggregate approved limits.

The Act came into effect from 1 April 2014 and under the Act the first assessment of the 3 year rolling financial duty took place at the end of 2016-17.

Statement of Comprehensive Net Expenditure for the year ended 31 March 2025

	Note	2024-25 £000	2023-24 £000
Expenditure on Primary Healthcare Services	3.1	**231,506**	223,827
Expenditure on healthcare from other providers	3.2	**293,175**	275,025
Expenditure on Hospital and Community Health Services	3.3	**908,884**	839,854
		1,433,565	1,338,706
Less: Miscellaneous Income	4	**(78,260)**	(74,323)
LHB net operating costs before interest and other gains and losses		**1,355,305**	1,264,383
Investment Revenue	5	**(10)**	(11)
Other (Gains) / Losses	6	**(22)**	(17)
Finance costs	7	**217**	183
Net operating costs for the financial year		**1,355,490**	**1,264,538**

Details of the Health Board's performance against its revenue and capital allocations over the last three financial periods are provided in Note 2 on page 27.

The notes on pages 8 to 76 form part of these accounts.

Other Comprehensive Net Expenditure

	2024-25 £000	2023-24 £000
Net (gain) / loss on revaluation of property, plant and equipment	**(4,459)**	(7,425)
Net (gain)/loss on revaluation of right of use assets	**0**	0
Net (gain) / loss on revaluation of intangibles	**0**	0
(Gain) / loss on other reserves	**0**	0
Net (gain)/ loss on revaluation of PPE & Intangible assets held for sale	**0**	0
Net (gain)/loss on revaluation of financial assets held for sale	**0**	0
Impairment and reversals	**0**	0
Transfers between reserves	**0**	0
Transfers to / (from) other bodies within the Resource Accounting Boundary	**0**	0
Reclassification adjustment on disposal of available for sale financial assets	**0**	0
Other comprehensive net expenditure for the year	**(4,459)**	(7,425)
Total comprehensive net expenditure for the year	**1,351,031**	1,257,113

The notes on pages 8 to 76 form part of these accounts.

Statement of Financial Position as at 31 March 2025

	Notes	31 March 2025 £000	31 March 2024 £000
Non-current assets			
Property, plant and equipment	11	**366,882**	369,729
Right of Use Assets	11.3	**10,189**	8,967
Intangible assets	12	**1,952**	2,422
Trade and other receivables	15	**59,122**	54,664
Other financial assets	16	**826**	974
Total non-current assets		**438,971**	436,756
Current assets			
Inventories	14.1	**12,475**	11,616
Trade and other receivables	15	**68,508**	76,429
Other financial assets	16	**148**	147
Cash and cash equivalents	17	**3,943**	2,141
		85,074	90,333
Non-current assets classified as "Held for Sale"	11.2	**0**	0
Total current assets		**85,074**	90,333
Total assets		**524,045**	527,089
Current liabilities			
Trade and other payables	18	**(162,040)**	(180,188)
Other financial liabilities	19	**0**	0
Provisions	20	**(33,839)**	(27,370)
Total current liabilities		**(195,879)**	(207,558)
Net current assets/ (liabilities)		**(110,805)**	(117,225)
Non-current liabilities			
Trade and other payables	18	**(6,837)**	(7,798)
Other financial liabilities	19	**0**	0
Provisions	20	**(61,742)**	(53,014)
Total non-current liabilities		**(68,579)**	(60,812)
Total assets employed		**259,587**	258,719
Financed by :			
Taxpayers' equity			
General Fund		**198,951**	194,091
Revaluation reserve		**60,636**	64,628
Total taxpayers' equity		**259,587**	258,719

The financial statements on pages 2 to 7 were approved by the Board on 26 June 2025 and signed on its behalf by:

Chief Executive and Accountable Officer ..... Date: 26 June 2025

The notes on pages 8 to 76 form part of these accounts.

Statement of Changes in Taxpayers' Equity
For the year ended 31 March 2025

	General Fund £000	Revaluation Reserve £000	Total Reserves £000
Changes in taxpayers' equity for 2024-25			
Balance as at 31 March 2024	194,091	64,628	**258,719**
NHS Wales Transfer	0	0	**0**
RoU Asset Transitioning Adjustment	0	0	**0**
Impact of IFRS 16 on PPP/PFI Liability	0	0	**0**
Balance at 1 April 2024	194,091	64,628	**258,719**
Net operating cost for the year	(1,355,490)		**(1,355,490)**
Net gain/(loss) on revaluation of property, plant and equipment	0	4,459	**4,459**
Net gain/(loss) on revaluation of right of use assets	0	0	**0**
Net gain/(loss) on revaluation of intangible assets	0	0	**0**
Net gain/(loss) on revaluation of financial assets	0	0	**0**
Net gain/(loss) on revaluation of assets held for sale	0	0	**0**
Impairments and reversals	0	0	**0**
Other Reserve Movement	0	0	**0**
Transfers between reserves	8,451	(8,451)	**0**
Release of reserves to SoCNE	0	0	**0**
Transfers to/from LHBs	0	0	**0**
Total recognised income and expense for 2024-25	(1,347,039)	(3,992)	**(1,351,031)**
Net Welsh Government funding	1,311,572		**1,311,572**
Notional Welsh Government Funding	40,327		**40,327**
Balance at 31 March 2025	198,951	60,636	**259,587**

Notional Welsh Government funding line includes 9.4% staff employer pension and Pensions Annual Allowance Charge Compensation Scheme (PAACCS) costs paid centrally by Welsh Government.
The Department of Health and Social Care (DHSC) 2023-24 consultation on the NHS Pension Scheme confirmed that the transitional approach that has operated since 2019-20 for employer contributions will continue in 2024-25. From 1 April 2024 an employer rate of 23.7% (23.78% inclusive of the administration charge) will apply. However, the NHS Business Services Authority will continue to only collect 14.38% from NHS Wales employers under their normal monthly payment process to the NHS Pension Scheme. This has resulted in an increase in the central payments made by Welsh Government from 6.3% to 9.4%.

Notional Welsh Government funding split:

Notional 9.4% staff employer pension £40,322,000
Pensions Annual Allowance Charge Compensation Scheme (PAACCS) £5,000

The notes on pages 8 to 76 form part of these accounts.

Statement of Changes in Taxpayers' Equity
For the year ended 31 March 2024

	General Fund £000	Revaluation Reserve £000	Total Reserves £000
Changes in taxpayers' equity for 2023-24			
Balance at 31 March 2023	174,600	58,466	**233,066**
NHS Wales Transfer	0	0	**0**
RoU Asset Transitioning Adjustment	0	0	**0**
Balance at 1 April 2023	174,600	58,466	**233,066**
Net operating cost for the year	(1,264,538)		**(1,264,538)**
Net gain/(loss) on revaluation of property, plant and equipment	0	7,425	**7,425**
Net gain/(loss) on revaluation of right of use assets	0	0	**0**
Net gain/(loss) on revaluation of intangible assets	0	0	**0**
Net gain/(loss) on revaluation of financial assets	0	0	**0**
Net gain/(loss) on revaluation of assets held for sale	0	0	**0**
Impairments and reversals	0	0	**0**
Other reserve movement	0	0	**0**
Transfers between reserves	1,263	(1,263)	**0**
Release of reserves to SoCNE	0	0	**0**
Transfers to/from LHBs	0	0	**0**
Total recognised income and expense for 2023-24	(1,263,275)	6,162	**(1,257,113)**
Net Welsh Government funding	1,257,707		**1,257,707**
Notional Welsh Government Funding	25,059		**25,059**
Balance at 31 March 2024	194,091	64,628	**258,719**

Notional Welsh Government funding line includes the 6.3% staff employer pension and Pensions Annual Allowance Charge Compensation Scheme (PAACCS) costs paid centrally by Welsh Government.

Notional Welsh Government funding split;
Notional 6.3% staff employer pension £25,057,000
Pensions Annual Allowance Charge Compensation Scheme (PAACCS) £2,000

The notes on pages 8 to 76 form part of these accounts.

Statement of Cash Flows for year ended 31 March 2025

	Notes	2024-25 £000	2023-24 £000
Cash Flows from operating activities			
Net operating cost for the financial year		**(1,355,490)**	(1,264,538)
Movements in Working Capital	27	**(15,543)**	(2,714)
Other cash flow adjustments	28	**114,249**	63,565
Provisions utilised	20	**(9,450)**	(8,331)
Net cash outflow from operating activities		**(1,266,234)**	(1,212,018)
Cash Flows from investing activities			
Purchase of property, plant and equipment		**(40,060)**	(45,092)
Proceeds from disposal of property, plant and equipment		**54**	78
Purchase of intangible assets		**(1,176)**	(327)
Proceeds from disposal of intangible assets		**0**	0
Payment for other financial assets		**0**	0
Proceeds from disposal of other financial assets		**0**	0
Payment for other assets		**0**	0
Proceeds from disposal of other assets		**0**	0
Net cash inflow/(outflow) from investing activities		**(41,182)**	(45,341)
Net cash inflow/(outflow) before financing		**(1,307,416)**	(1,257,359)
Cash Flows from financing activities			
Welsh Government funding (including capital)		**1,311,572**	1,257,707
Capital receipts surrendered		**0**	0
Capital grants received		**0**	0
Capital element of payments in respect of finance leases and on-SoFP PFI Schemes		**0**	0
Capital element of payments in respect of on-SoFP PFI		**0**	0
Capital element of payments in respect of Right of Use Assets		**(2,354)**	(2,151)
Cash transferred (to)/ from other NHS bodies		**0**	0
Net financing		**1,309,218**	1,255,556
Net increase/(decrease) in cash and cash equivalents		**1,802**	(1,803)
Cash and cash equivalents (and bank overdrafts) at 1 April 2024		**2,141**	3,944
Cash and cash equivalents (and bank overdrafts) at 31 March 2025		**3,943**	2,141

The notes on pages 8 to 76 form part of these accounts.

Notes to the Accounts

1. Accounting policies

The Minister for Health and Social Services has directed that the financial statements of Local Health Boards (LHBs) in Wales shall meet the accounting requirements of the NHS Wales Manual for Accounts. Consequently, the following financial statements have been prepared in accordance with the 2024-25 Manual for Accounts. The accounting policies contained in that manual follow the 2024-25 Financial Reporting Manual (FReM) in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, to the extent that they are meaningful and appropriate to the NHS in Wales.

Where the LHB Manual for Accounts permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the LHB for the purpose of giving a true and fair view has been selected. The particular policies adopted by the LHB are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

1.1. Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets and inventories.

1.2. Acquisitions and discontinued operations

Activities are considered to be 'acquired' only if they are taken on from outside the public sector. Activities are considered to be 'discontinued' only if they cease entirely. They are not considered to be 'discontinued' if they transfer from one public sector body to another.

1.3. Income and funding

The main source of funding for the LHBs are allocations (Welsh Government funding) from the Welsh Government within an approved cash limit, which is credited to the General Fund of the LHB. Welsh Government funding is recognised in the financial period in which the cash is received.

Non-discretionary funding outside the Revenue Resource Limit is allocated to match actual expenditure incurred for the provision of specific pharmaceutical, or ophthalmic services identified by the Welsh Government. Non-discretionary expenditure is disclosed in the accounts and deducted from operating costs charged against the Revenue Resource Limit.

Funding for the acquisition of fixed assets received from the Welsh Government is credited to the General Fund.

Miscellaneous income is income which relates directly to the operating activities of the LHB and is not funded directly by the Welsh Government. This includes payment for services uniquely provided by the LHB for the Welsh Government such as funding provided to agencies and non-activity costs incurred by the LHB in its provider role. Income received from LHBs transacting with other LHBs is always treated as miscellaneous income.

From 2018-19, IFRS 15 Revenue from Contracts with Customers has been applied, as interpreted and adapted for the public sector, in the FREM. It replaces the previous standards IAS 11 Construction Contracts and IAS 18 Revenue and related IFRIC and SIC interpretations. The potential amendments identified as a result of the adoption of IFRS 15 are significantly below materiality levels.

Income is accounted for applying the accruals convention. Income is recognised in the period in which services are provided. Where income had been received from third parties for a specific activity to be delivered in the following financial year, that income will be deferred. Only non-NHS income may be deferred.

Only non-NHS income may be deferred.

1.4. Employee benefits

1.4.1. Short-term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of leave earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period.

1.4.2. Retirement benefit costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

The Department of Health and Social Care (DHSC) 2023-24 consultation on the NHS Pension Scheme confirmed that the transitional approach that has operated since 2019-20 for employer contributions will continue in 2024-25. From 1 April 2024 an employer rate of 23.7% (23.78% inclusive of the administration charge) will apply. However, the NHS Business Services Authority will continue to only collect 14.38% from NHS Wales employers under their normal monthly payment process to the NHS Pension Scheme. This has a resulted in an increase in the central payments made by Welsh Government directly to the Pension Scheme administrator, the NHS Business Services Authority (BSA the NHS Pensions Agency) from 6.3% to 9.4%.

However, NHS Wales' organisations are required to account for their staff employer contributions of 23.78% in full and on a gross basis, in their annual accounts. Payments made on their behalf by Welsh Government are accounted for on a notional basis. For detailed information see the Other Note within these accounts.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to expenditure at the time the NHS Wales organisation commits itself to the retirement, regardless of the method of payment.

Where employees are members of the Local Government Superannuation Scheme, which is a defined benefit pension scheme this is disclosed. The scheme assets and liabilities attributable to those employees can be identified and are recognised in the NHS Wales organisation’s accounts. The assets are measured at fair value and the liabilities at the present value of the future obligations. The increase in the liability arising from pensionable service earned during the year is recognised within operating expenses. The expected gain during the year from scheme assets is recognised within finance income. The interest cost during the year arising from the unwinding of the discount on the scheme liabilities is recognised within finance costs.

1.4.3. NEST Pension Scheme

An alternative pensions scheme for employees not eligible to join the NHS Pensions scheme has to be offered. The NEST (National Employment Savings Trust) Pension scheme is a defined contribution scheme and therefore the cost to the NHS body of participating in the scheme is equal to the contributions payable to the scheme for the accounting period.

1.5. Other expenses

Other operating expenses for goods or services are recognised when, and to the extent that, they have been received. They are measured at the fair value of the consideration payable.

1.6. Property, plant and equipment

1.6.1. Recognition

Property, plant and equipment is capitalised if:

● it is held for use in delivering services or for administrative purposes;

● it is probable that future economic benefits will flow to, or service potential will be supplied to, the NHS Wales organisation;

● it is expected to be used for more than one financial year;

● the cost of the item can be measured reliably; and

● the item has cost of at least £5,000; or

● Collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or

● Items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

1.6.2. Valuation

All property, plant and equipment are measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

Land and buildings used for services or for administrative purposes are stated in the Statement of Financial Position (SoFP) at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Fair values are determined as follows:

● Land and non-specialised buildings – market value for existing use

● Specialised buildings – depreciated replacement cost

HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be valued. NHS Wales' organisations have applied these new valuation requirements from 1 April 2009.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

In 2022-23 a formal revaluation exercise was applied to land and properties. The carrying value of existing assets at that date will be written off over their remaining useful lives and new fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit should be taken to expenditure.

References in IAS 36 to the recognition of an impairment loss of a revalued asset being treated as a revaluation decrease to the extent that the impairment does not exceed the amount in the revaluation surplus for the same asset, are adapted such that only those impairment losses that do not result from a clear consumption of economic benefit or reduction of service potential (including as a result of loss or damage resulting from normal business operations) should be taken to the revaluation reserve. Impairment losses that arise from a clear consumption of economic benefit should be taken to the Statement of Comprehensive Net Expenditure (SoCNE).

From 2015-16, IFRS 13 Fair Value Measurement must be complied with in full. However, IAS 16 and IAS 38 have been adapted for the public sector context which limits the circumstances under which a valuation is prepared under IFRS 13. Assets which are held for their service potential and are in use should be measured at their current value in existing use. For specialised assets current value in existing use should be interpreted as the present value of the assets remaining service potential, which can be assumed to be at least equal to the cost of replacing that service potential. Where there is no single class of asset that falls within IFRS 13, disclosures should be for material items only.

In accordance with the adaptation of IAS 16 in table 6.2 of the FReM, for non-specialised assets in operational use, current value in existing use is interpreted as market value for existing use which is defined in the RICS Red Book as Existing Use Value (EUV).

Assets which were most recently held for their service potential but are surplus should be valued at current value in existing use, if there are restrictions on the NHS organisation or the asset which would prevent access to the market at the reporting date. If the NHS organisation could access the market then the surplus asset should be used at fair value using IFRS 13. In determining whether such an asset which is not in use is surplus, an assessment should be made on whether there is a clear plan to bring the asset back into use as an operational asset. Where there is a clear plan, the asset is not surplus and the current value in existing use should be maintained. Otherwise the asset should be assessed as being surplus and valued under IFRS13.

Assets which are not held for their service potential should be valued in accordance with IFRS 5 or IAS 40 depending on whether the asset is actively held for sale. Where an asset is not being used to deliver services and there is no plan to bring it back into use, with no restrictions on sale, and it does not meet the IAS 40 and IFRS 5 criteria, these assets are surplus and are valued at fair value using IFRS 13.

1.6.3. Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the asset to its original specification, the expenditure is capitalised and any carrying value of the item replaced is written-out and charged to the SoCNE. As highlighted in previous years the NHS in Wales does not have systems in place to ensure that all items being "replaced" can be identified and hence the cost involved to be quantified. The NHS in Wales has thus established a national protocol to ensure it complies with the standard as far as it is able to which is outlined in the capital accounting chapter of the Manual For Accounts. This dictates that to ensure that asset carrying values are not materially overstated, for All Wales Capital Schemes that are completed in a financial year, NHS Wales organisations are required to obtain a revaluation during that year (prior to them being brought into use) and also similar revaluations are needed for all Discretionary Building Schemes completed which have a spend greater than £0.5m. The write downs identified are then charged to operating expenses.

1.7. Intangible assets

1.7.1. Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the business or which arise from contractual or other legal rights. They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to, the NHS Wales organisation; where the cost of the asset can be measured reliably, and where the cost is at least £5,000.

Intangible assets acquired separately are initially recognised at fair value. Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset. Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

● the technical feasibility of completing the intangible asset so that it will be available for use.

● the intention to complete the intangible asset and use it.

● the ability to use the intangible asset.

● how the intangible asset will generate probable future economic benefits.

● the availability of adequate technical, financial and other resources to complete the intangible asset and use it.

● the ability to measure reliably the expenditure attributable to the intangible asset during its development.

1.7.2 Measurement

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the criteria above are initially met. Where no internally-generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred.

Following initial recognition, intangible assets are carried at fair value by reference to an active market, or, where no active market exists, at amortised replacement cost (modern equivalent assets basis), indexed for relevant price increases, as a proxy for fair value. Internally-developed software is held at historic cost to reflect the opposing effects of increases in development costs and technological advances.

1.8. Depreciation, amortisation and impairments

Freehold land, assets under construction and assets held for sale are not depreciated.

Otherwise, depreciation and amortisation are charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. The estimated useful life of an asset is the period over which the NHS Wales Organisation expects to obtain economic benefits or service potential from the asset. This is specific to the NHS Wales organisation and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. Assets held under finance leases are depreciated over the shorter of the lease term and estimated useful lives.

At each reporting period end, the NHS Wales organisation checks whether there is any indication that any of its tangible or intangible non-current assets have suffered an impairment loss. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually.

Impairment losses that do not result from a loss of economic value or service potential are taken to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to the SoCNE. Impairment losses that arise from a clear consumption of economic benefit are taken to the SoCNE. The balance on any revaluation reserve (up to the level of the impairment) to which the impairment would have been charged under IAS 36 are transferred to retained earnings. Right of use (ROU) asset impairments are reflected in ROU liability.

1.9. Research and Development

Research and development expenditure is charged to operating costs in the year in which it is incurred, except insofar as it relates to a clearly defined project, which can be separated from patient care activity and benefits there from can reasonably be regarded as assured. Expenditure so deferred is limited to the value of future benefits expected and is amortised through the SoCNE on a systematic basis over the period expected to benefit from the project.

1.10 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met when the sale is highly probable, the asset is available for immediate sale in its present condition and management is committed to the sale, which is expected to qualify for recognition as a completed sale,

within one year from the date of classification. Non-current assets held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Fair value is open market value including alternative uses.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the SoCNE. On disposal, the balance for the asset on the revaluation reserve, is transferred to the General Fund.

Property, plant and equipment that is to be scrapped or demolished does not qualify for recognition as held for sale. Instead it is retained as an operational asset and its economic life adjusted. The asset is derecognised when it is scrapped or demolished.

1.11 Leases

A lease is a contract or part of a contract that conveys the right to use an asset for a period of time in exchange for consideration.

IFRS 16 leases is effective across public sector from 1 April 2022. The transition to IFRS 16 has been completed in accordance with paragraph C5 (b) of the Standard, applying IFRS 16 requirements retrospectively recognising the cumulative effects at the date of initial application.

In the transition to IFRS 16 a number of elections and practical expedients offered in the standard have been employed. These are as follows: Hywel Dda UHB has applied the practical expedient offered in the standard per paragraph C3 to apply IFRS 16 to contracts or arrangements previously identified as containing a lease under the previous leasing standards IAS 17 leases and IFRIC 4 determining whether an arrangement contains a lease and not to those that were identified as not containing a lease under previous leasing standards.

On initial application the LHB has measured the right of use assets for leases previously classified as operating leases per IFRS 16 C8 (b)(ii), at an amount equal to the lease liability adjusted for accrued or prepaid lease payments.

No adjustments have been made for operating leases in which the underlying asset is of low value per paragraph C9 (a) of the standard.

The transitional provisions have not been applied to operating leases whose terms end within 12 months of the date of initial application per paragraph C10 (c) of IFRS 16.

Hindsight is used to determine the lease term when contracts or arrangements contain options to extend or terminate the lease in accordance with C10 (e) of IFRS 16.

Due to transitional provisions employed the requirements for identifying a lease within paragraphs 9 to 11 of IFRS 16 are not employed for leases in existence at the initial date of application. Leases entered into on or after the 1 April 2022 will be assessed under the requirements of IFRS 16.

There are further expedients or election that have been employed by the LHB in applying IFRS 16.

These include:

- the measurement requirements under IFRS 16 are not applied to leases with a term of 12 months or less under paragraph 5 (a) of IFRS 16
- the measurement requirements under IFRS 16 are not applied to leases where the underlying asset is of a low value which are identified as those assets of a value of less than £5,000, excluding any irrecoverable VAT, under paragraph 5 (b) of IFRS 16

The LHB will not apply IFRS 16 to any new leases of intangible assets, applying the treatment described in section 1.7 instead.

The LHB is required to apply IFRS 16 to lease like arrangements entered into with other public sector entities that are in substance akin to an enforceable contract, that in their formal legal form may not be enforceable. Prior to accounting for such arrangements under IFRS 16 the LHB has assessed that in all other respects these arrangements meet the definition of a lease under the standard.

The LHB is required to apply IFRS 16 to lease like arrangements entered into in which consideration exchanged is nil or nominal, therefore significantly below market value. These arrangements are described as peppercorn leases. Such arrangements are again required to meet the definition of a lease in every other respect prior to inclusion in the scope of IFRS 16. The accounting for peppercorn arrangements aligns to that identified for donated assets. Peppercorn leases are different in substance to arrangements in which consideration is below market value but not significantly below market value.

The nature of the accounting policy change for the lessee is more significant than for the lessor under IFRS 16. IFRS 16 introduces a singular lessee approach to measurement and classification in which lessees recognise a right of use asset.

For the lessor leases remain classified as finance leases when substantially all the risks and rewards incidental to ownership of an underlying asset are transferred to the lessee. When this transfer does not occur, leases are classified as operating leases.

1.11.1 Hywel Dda UHB as lessee

At the commencement date for the leasing arrangement a lessee shall recognise a right of use asset and corresponding lease liability. The LHB employs a revaluation model for the subsequent measurement of its right of use assets unless cost is considered to be an appropriate proxy for current value in existing use or fair value in line with the accounting policy for owned assets. Where consideration exchanged is identified as below market value, cost is not considered to be an appropriate proxy to value the right of use asset.

Irrecoverable VAT is expensed in the period to which it relates and therefore not included in the measurement of the lease liability and consequently the value of the right of use asset.

The incremental borrowing rate of 0.95% has been applied to the lease liabilities recognised at the date of initial application of IFRS 16.

Where changes in future lease payments result from a change in an index or rate or rent review, the lease liabilities are remeasured using an unchanged discount rate.

Where there is a change in a lease term or an option to purchase the underlying asset the LHB applies a revised rate to the remaining lease liability.

Where existing leases are modified the LHB must determine whether the arrangement constitutes a separate lease and apply the standard accordingly.

Lease payments are recognised as an expense on a straight-line or another systematic basis over the lease term, where the lease term is in substance 12 months or less, or is elected as a lease containing low value underlying asset by the LHB.

1.11.2 Hywel Dda UHB as lessor

A lessor shall classify each of its leases as an operating or finance lease. A lease is classified as finance lease when the lease substantially transfers all the risks and rewards incidental to ownership of an underlying asset. Where substantially all the risks and rewards are not transferred, a lease is classified as an operating lease.

Amounts due from lessees under finance leases are recorded as receivables at the amount of the LHB's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the LHB's net investment outstanding in respect of the leases.

Income from operating leases is recognised on a straight-line or another systematic basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Where the LHB is an intermediate lessor, being a lessor and a lessee regarding the same underlying asset, classification of the sublease is required to be made by the intermediate lessor considering the term of the arrangement and the nature of the right of use asset arising from the head lease.

On transition the LHB has reassessed the classification of all of its continuing subleasing arrangements to include peppercorn leases.

1.12. Inventories

Whilst it is accounting convention for inventories to be valued at the lower of cost and net realisable value using the weighted average or "first-in first-out" cost formula, it should be recognised that the NHS is a special case in that inventories are not generally held for the intention of resale and indeed there is no market readily available where such items could be sold. Inventories are valued at cost and this is considered to be a reasonable approximation to fair value due to the high turnover of stocks. Work-in-progress comprises goods in intermediate stages of production. Partially completed contracts for patient services are not accounted for as work-in-progress.

1.13. Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in three months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. In the Statement of Cash flows (SoCF), cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the cash management.

1.14. Provisions

Provisions are recognised when the LHB has a present legal or constructive obligation as a result of a past event, it is probable that the LHB will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using the discount rate supplied by HM Treasury.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the LHB has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

A restructuring provision is recognised when the LHB has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with ongoing activities of the entity.

1.14.1. Clinical negligence and personal injury costs

The Welsh Risk Pool Services (WRPS) operates a risk pooling scheme which is co-funded by the Welsh Government with the option to access a risk sharing agreement funded by the participative NHS Wales bodies. The risk sharing option was implemented in both 2023-24 and 2024-25. The WRPS is hosted by Velindre University NHS Trust.

1.14.2. Future Liability Scheme (FLS) - General Medical Practice Indemnity (GMPI)

The FLS is a state backed scheme to provide clinical negligence General Medical Practice Indemnity (GMPI) for providers of GMP services in Wales.

In March 2019, the Minister issued a Direction to Velindre University NHS Trust to enable Legal and Risk Services to operate the Scheme. The GMPI is underpinned by new secondary legislation, The NHS (Clinical Negligence Scheme) (Wales) Regulations 2019 which came into force on 1 April 2019.

GMP Service Providers are not direct members of the GMPI FLS, their qualifying liabilities are the subject of an arrangement between them and their relevant LHB, which is a member of the scheme. The qualifying reimbursements to the LHB are not subject to the £25,000 excess.

1.15. Financial Instruments

From 2018-19 IFRS 9 Financial Instruments has applied, as interpreted and adapted for the public sector, in the FReM. The principal impact of IFRS 9 adoption by NHS Wales' organisations, was to change the calculation basis for bad debt provisions, changing from an incurred loss basis to a lifetime expected credit loss (ECL) basis.

All entities applying the FReM recognised the difference between previous carrying amount and the carrying amount at the beginning of the annual reporting period that included the date of initial application in the opening general fund within Taxpayer's equity.

1.16. Financial assets

Financial assets are recognised on the SoFP when the LHB becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

The accounting policy choice allowed under IFRS 9 for long term trade receivables, contract assets which do contain a significant financing component (in accordance with IFRS 15), and lease receivables within the scope of IAS 17 has been withdrawn and entities should always recognise a loss allowance at an amount equal to lifetime Expected Credit Losses. All entities applying the FReM should utilise IFRS 9's simplified approach to impairment for relevant assets.

IFRS 9 requirements required a revised approach for the calculation of the bad debt provision, applying the principles of expected credit loss, using the practical expedients within IFRS 9 to construct a provision matrix.

1.16.1. Financial assets are initially recognised at fair value

Financial assets are classified into the following categories: financial assets 'at fair value through SoCNE'; 'held to maturity investments'; 'available for sale' financial assets, and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

1.16.2. Financial assets at fair value through SoCNE

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial assets at fair value through SoCNE. They are held at fair value, with any resultant gain or loss recognised in the SoCNE. The net gain or loss incorporates any interest earned on the financial asset.

1.16.3 Held to maturity investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity, and there is a positive intention and ability to hold to maturity. After initial recognition, they are held at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

1.16.4. Available for sale financial assets

Available for sale financial assets are non-derivative financial assets that are designated as available for sale or that do not fall within any of the other three financial asset classifications. They are measured at fair value with changes in value taken to the revaluation reserve, with the exception of impairment losses. Accumulated gains or losses are recycled to the SoCNE on de-recognition.

1.16.5. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. After initial recognition, they are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

Fair value is determined by reference to quoted market prices where possible, otherwise by valuation techniques.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to the net carrying amount of the financial asset.

At the SOFP date, the LHB assesses whether any financial assets, other than those held at 'fair value through profit and loss' are impaired. Financial assets are impaired and impairment losses recognised if there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the SoCNE and the carrying amount of the asset is reduced directly, or through a provision of impairment of receivables.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the SoCNE to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

1.17. Financial liabilities

Financial liabilities are recognised on the SOFP when the LHB becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired.

1.17.1. Financial liabilities are initially recognised at fair value

Financial liabilities are classified as either financial liabilities at fair value through the SoCNE or other financial liabilities.

1.17.2. Financial liabilities at fair value through the SoCNE

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial liabilities at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in the SoCNE. The net gain or loss incorporates any interest earned on the financial asset.

1.17.3. Other financial liabilities

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the net carrying amount of the financial liability. Interest is recognised using the effective interest method.

1.18. Value Added Tax (VAT)

Most of the activities of the LHB are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.19. Foreign currencies

Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. Resulting exchange gains and losses are taken to the SoCNE. At the SoFP date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date.

1.20. Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the LHB has no beneficial interest in them. Details of third party assets are given in the Notes to the accounts.

1.21. Losses and Special Payments

Losses and special payments are items that the Welsh Government would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way each individual case is handled.

Losses and special payments are charged to the relevant functional headings in the SoCNE on an accruals basis, including losses which would have been made good through insurance cover had the LHB not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure). However, the note on losses and special payments is compiled directly from the losses register which is prepared on a cash basis.

The LHB accounts for all losses and special payments gross (including assistance from the WRP).

The LHB accrues or provides for the best estimate of future pay-outs for certain liabilities and discloses all other potential payments as contingent liabilities, unless the probability of the liabilities becoming payable is remote.

All claims for losses and special payments are provided for where the probability of settlement of an individual claim is over 50%. Where reliable estimates can be made, incidents of clinical negligence against which a claim has not, as yet, been received are provided in the same way. Expected reimbursements from the WRP are included in debtors. For those claims where the probability of settlement is between 5- 50%, the liability is disclosed as a contingent liability.

1.22. Pooled budgets

The NHS Wales organisation has entered into pooled budgets with Local Authorities. Under the arrangements funds are pooled in accordance with section 33 of the NHS (Wales) Act 2006 for specific activities defined in the Pooled budget Note.

The pool budget is hosted by one NHS Wales's organisation. Payments for services provided are accounted for as miscellaneous income. The NHS Wales organisation accounts for its share of the assets, liabilities, income and expenditure from the activities of the pooled budget, in accordance with the pooled budget arrangement.

1.23. Critical Accounting Judgements and key sources of estimation uncertainty

In the application of the accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. The estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or the period of the revision and future periods if the revision affects both current and future periods.

1.24. Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the SoFP date, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Significant estimations are made in relation to on-going clinical negligence and personal injury claims. Assumptions as to the likely outcome, the potential liabilities and the timings of these litigation claims are provided by independent legal advisors. Any material changes in liabilities associated with these claims would be recoverable through the Welsh Risk Pool.

Significant estimations are also made for continuing care costs resulting from claims post 1 April 2003. An assessment of likely outcomes, potential liabilities and timings of these claims are made on a case by case basis. Material changes associated with these claims would be adjusted in the period in which they are revised.

Estimates are also made for contracted primary care services. These estimates are based on the latest payment levels. Changes associated with these liabilities are adjusted in the following reporting period.

1.24.1. Provisions

The LHB provides for legal or constructive obligations for clinical negligence, personal injury and defence costs that are of uncertain timing or amount at the balance sheet date on the basis of the best estimate of the expenditure required to settle the obligation.

Claims are funded via the Welsh Risk Pool Services (WRPS) which receives an annual allocation from Welsh Government to cover the cost of reimbursement requests submitted to the bi-monthly WRPS Committee. Following settlement to individual claimants by the LHB, the full cost is recognised in year and matched to income (less a £25K excess) via a WRPS debtor, until reimbursement has been received from the WRPS Committee.

1.24.2. Probable & Certain Cases – Accounting Treatment

A provision for these cases is calculated in accordance with IAS 37. Cases are assessed and divided into four categories according to their probability of settlement;

Remote	Probability of Settlement	0 – 5%
	Accounting Treatment	Remote Contingent Liability.
Possible	Probability of Settlement	6% - 49%
	Accounting Treatment	Defence Fee - Provision*
Probable	Probability of Settlement	50% - 94%
	Accounting Treatment	Full Provision
Certain	Probability of Settlement	95% - 100%
	Accounting Treatment	Full Provision

** Personal injury cases - Defence fee costs are provided for at 100%.*

The provision for probable and certain cases is based on case estimates of individual reported claims received by Legal & Risk Services within NHS Wales Shared Services Partnership.

The solicitor will estimate the case value including defence fees, using professional judgement and from obtaining counsel advice. Valuations are then discounted for the future loss elements using individual life expectancies and the Government Actuary's Department actuarial tables (Ogden tables) and Personal Injury Discount Rate of 0.5%.

Future liabilities for certain & probable cases with a probability of 95%-100% and 50%- 94% respectively are held as a provision on the balance sheet. Cases typically take a number of years to settle, particularly for high value cases where a period of development is necessary to establish the full extent of the injury caused.

1.24.3 Primary Care Expenditure

There are a number of estimates due to the way practices are reimbursed for their services through claim forms sent to NWSSP. Therefore, primary care expenditure disclosed contains significant estimates where the value of the actual liabilities were not available prior to the date for accounts submission. Claims for a service could be paid a month or a quarter in arrears, therefore for these claims, accruals are based on a rolling three-month average. This is the case for General Medical Services (GMS) and Community Pharmacy, with the exceptions being:

a) PADMs (Prescribing and Dispensing GPs) within the GMS contract - accruals were based on average monthly spend earlier in the year as the flu vaccination programme distorts a three month average, in the period October to December. This would not be a suitable enough period to base an accrual for February and March on.

b) The Quality Access standards within the GMS contracts – this service is paid as an annual payment in June of the following financial year. In line with the previous two years where full achievement of the quality standard was met, it is also assumed that this will be case in 2024-25 (as advised by the service), the maximum achievable value has been accrued.

c) The Quality and Outcome Framework within the GMS contracts – this service is paid at 70% throughout the year with the last 30% as an annual payment in June of the following financial year. In line with the previous two years where full achievement of the quality standard was met, it is also assumed that this will be case in 2024-25 (as advised by the service), the maximum achievable value has been accrued.

In terms of prescribing cost for 2024-25, the Health Board has used the accrual methodology consistent with previous years.

The cost per item for all items excluding Vaccinations, Immunisations and Stoma (Net Prescribing Audit Reports – PARS) was derived by using the most recent published cost per item from the January 2025 PARS reports.

The number of items (growth) used to calculate net PARS items was derived using prescribing days. The resultant growth estimation rate for 2024-25 was 0.32% (2023-24 – 0%)

Vaccination and Immunisation costs were calculated by applying the prior year percentage of spend to January 2024 to the YTD spend to January 2025.

Stoma costs were calculated on a straight-line basis based on the YTD cost to January 2025.

1.25 Discount Rates

Where discount is applied, a disclosure detailing the impact of the discounting on liabilities to be included for the relevant notes. The disclosure should include where possible undiscounted values to demonstrate the impact. An explanation of the source of the discount rate or how the discount rate has been determined to be included.

1.26 Private Finance Initiative (PFI) transactions

The Health Board has no PFI transactions.

1.26.4 Impact of IFRS 16 on on-balance sheet PFI/PPP Schemes as from 1 April 2023

The Health Board has no PFI transactions.

1.27. Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the LHB, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the LHB. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingencies are disclosed at their present value.
Remote contingent liabilities are those that are disclosed under Parliamentary reporting requirements and not under IAS 37 and, where practical, an estimate of their financial effect is required.

1.28. Absorption accounting

Transfers of function are accounted for as either by merger or by absorption accounting dependent upon the treatment prescribed in the FReM. Absorption accounting requires that entities account for their transactions in the period in which they took place with no restatement of performance required.

Where transfer of function is between LHBs the gain or loss resulting from the assets and liabilities transferring is recognised in the SoCNE and is disclosed separately from the operating costs.

1.29. Accounting standards that have been issued but not yet been adopted

The following accounting standards have been issued and or amended by the IASB and IFRIC but have not been adopted because they are not yet required to be adopted by the FReM

IFRS14 Regulatory Deferral Accounts - Applies to first time adopters of IFRS after 1 January 2016. Therefore not applicable.

IFRS 17 Insurance Contracts, Application required for accounting periods beginning on or after 1 January 2023, Standard is UK endorsed and adopted by the FReM. The date of initial application is the beginning of the annual reporting period in which IFRS 17 is first applied. In central government the date of initial application is 1 April 2025.

IFRS 18 Presentation and Disclosure in Financial Statements - Application required for accounting periods beginning on or after 1 January 2027. Standard is not yet UK endorsed and not yet adopted by the FReM. Early adoption is not permitted.

IFRS 19 Subsidiaries without Public Accountability: Disclosures - Application required for accounting periods beginning on or after 1 January 2027. Standard is not yet UK endorsed and not yet adopted by the FReM. Early adoption is not permitted.

1.30. Accounting standards issued that have been adopted early

During 2024-25 there have been no accounting standards that have been adopted early. All early adoption of accounting standards will be led by HM Treasury.

1.31. Charities

Following Treasury's agreement to apply IAS 27 to NHS Charities from 1 April 2013, Hywel Dda UHB has established that as it is the corporate trustee of Hywel Dda Health Charities, it is considered for accounting standards compliance to have control of Hywel Dda Health Charities as a subsidiary. The determination of control is an accounting standard test of control and there has been no change to the operation of Hywel Dda Health Charities or its independence in its management of charitable funds.

Whilst there is a requirement to consolidate the results of Hywel Dda Health Charities within the statutory accounts of the LHB, the LHB has with the agreement of the Welsh Government adopted the IAS 27 (10) exemption to consolidate.

Welsh Government as the ultimate parent of the Local Health Boards will disclose the Charitable Accounts of Local Health Boards in the Welsh Government Consolidated Accounts.

Details of the transactions with the charity are included in the related parties' notes.

2. Financial Duties Performance

The National Health Service Finance (Wales) Act 2014 came into effect from 1 April 2014. The Act amended the financial duties of Local Health Boards under section 175 of the National Health Service (Wales) Act 2006. From 1 April 2014 section 175 of the National Health Service (Wales) Act places two financial duties on Local Health Boards:

- A duty under section 175 (1) to secure that its expenditure does not exceed the aggregate of the funding allotted to it over a period of 3 financial years;
- A duty under section 175 (2A) to prepare a plan in accordance with planning directions issued by the Welsh Ministers, to secure compliance with the duty under section 175 (1) while improving the health of the people for whom it is responsible, and the provision of health care to such people, and for that plan to be submitted to and approved by the Welsh Ministers.

The first assessment of performance against the 3 year statutory duty under section 175 (1) was at the end of 2016-17, being the first 3 year period of assessment.

Welsh Health Circular WHC/2016/054 "Statutory and Financial Duties of Local Health Boards and NHS Trusts" clarifies the statutory financial duties of NHS Wales bodies effective from 2016-17.

2.1 Revenue Resource Performance

	Annual financial performance			
	2022-23	**2023-24**	**2024-25**	**Total**
	£000	**£000**	**£000**	**£000**
Net operating costs for the year	1,154,992	1,264,538	1,355,490	**3,775,020**
Less general ophthalmic services expenditure and other non-cash limited expenditure	2,431	1,831	1,111	**5,373**
Less unfunded revenue consequences of bringing PFI schemes onto SoFP	0	0	0	**0**
Less any non funded revenue consequences of IFRS 16	0	0	0	**0**
Total operating expenses	1,157,423	1,266,369	1,356,601	**3,780,393**
Revenue Resource Allocation	1,098,379	1,200,554	1,332,462	**3,631,395**
Under /(over) spend against Allocation	**(59,044)**	**(65,815)**	**(24,139)**	**(148,998)**

Hywel Dda University LHB has not met its financial duty to break-even against its Revenue Resource Limit over the 3 years 2022-23 to 2024-25.

The Health Board received £24m cash-only support from Welsh Government during 2024-25 with the accumulated cash-only support as at 31 March 2025 being £360.2m. This support has been provided by Welsh Government to assist the Health Board with making payments to staff and suppliers; there is no requirement for this funding to be repaid.

2.2 Capital Resource Performance

	2022-23	**2023-24**	**2024-25**	**Total**
	£000	**£000**	**£000**	**£000**
Gross capital expenditure	34,256	47,760	47,606	**129,622**
Add: Losses on disposal of donated assets	0	0	0	**0**
Less NBV on disposal of property, plant and equipment, right of use and intangible assets	(196)	(61)	(34)	**(291)**
Adjustment for transfers (to)/from NHS Trusts	0	0	0	**0**
Less capital grants received	0	(8)	(4)	**(12)**
Less donations received	(476)	(805)	(2,754)	**(4,035)**
Less IFRS16 Peppercorn income	0	0	0	**0**
Less **initial recognition** of RoU Asset Dilapidations	0	0	(2,175)	**(2,175)**
Charge against Capital Resource Allocation	33,584	46,886	42,639	**123,109**
Capital Resource Allocation	33,653	46,919	42,725	**123,297**
(Over) / Underspend against Capital Resource Allocation	**69**	**33**	**86**	**188**

Hywel Dda University LHB has met its financial duty to break-even against its Capital Resource Limit over the 3 years 2022-23 to 2024-25.

2.3 Duty to prepare a 3 year integrated plan

The NHS Wales Planning Framework for the period 2024-2027 issued to LHBs placed a requirement upon them to prepare and submit Integrated Medium-Term Plans to the Welsh Government. The LHB did not submit an Integrated Medium-Term Plan for the period 2024-2027 in accordance with NHS Wales Planning Framework.

The LHB had been unable to produce a financially balanced plan for 2023-24 and this contributed to the escalation status of the Health Board being raised to entire organisation Targeted Intervention on the Welsh Government Joint Escalation and Intervention Arrangements in January 2024. Following agreement at the January 2024 Board meeting, HDdUHB wrote to the Welsh Government in February 2024 to provide formal notification through an accountability letter that unfortunately the Health Board would again not be able to submit a financially balanced IMTP by the end of March 2024 and instead would produce an Annual Plan for 2024-25.

The Annual Plan set out the key objectives and deliverables for the next 12 months and laid the foundations for further progress beyond that in achieving the Board's aim to firstly reverse the deteriorating trajectory of our financial position and secondly agree a clear and deliverable route map to the organisation's control total. In addition, whilst progress had been made in several areas, the Health Board continued to have significant performance issues that our plan simultaneously needed to address.

The LHB was allocated additional funding by Welsh Government (WG) in year. WG also set a revised Target Control Total of £31.55m. The Health Board has achieved the revised control total with a yearend deficit of £24.1m (subject to audit).

Having placed the entire Health Board in 'targeted intervention' in January 2024, WG has de-escalated three areas to enhanced monitoring due to the progress seen. The three de-escalated areas are Child and Adolescent Health and Mental Health (CAHMS), Planned Care, and Leadership and Governance. While this is a positive step forward, it is acknowledged that pressures remain across the organisation.

The Minister for Health and Social Services extant approval

Status	Not Approved
Date	

Hywel Dda University LHB has not therefore met its statutory duty to have an approved financial plan.

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2.4 Creditor payment

The LHB is required to pay 95% of the number of non-NHS bills within 30 days of receipt of goods or a valid invoice (whichever is the later). The LHB has achieved the following results:

	2024-25	2023-24
Total number of non-NHS bills paid	**236,022**	274,883
Total number of non-NHS bills paid within target	**228,149**	263,334
Percentage of non-NHS bills paid within target	96.7%	95.8%

The LHB has met the target.

3. Analysis of gross operating costs

3.1 Expenditure on Primary Healthcare Services

	Cash limited £000	Non-cash limited £000	2024-25 Total £000	2023-24 Total £000
General Medical Services	90,992		90,992	85,345
Pharmaceutical Services	23,544	(7,194)	16,350	16,404
General Dental Services	21,280		21,280	20,079
General Ophthalmic Services	3,058	6,083	9,141	6,445
Other Primary Health Care expenditure	6,043		6,043	6,956
Prescribed drugs and appliances	87,700		87,700	88,598
Total	**232,617**	**(1,111)**	**231,506**	223,827

Return of excess funds from primary care contractors are included in the figures above

Included within other notes to the accounts		
Additional Primary Care Expenditure	0	0
Additional Primary Care Income	(2,499)	(2,244)
Overall total	229,007	221,583

General Medical Services includes £7.750m for managed practices staff costs

3.2 Expenditure on healthcare from other providers

	2024-25 £000	2023-24 £000
Goods and services from other NHS Wales Health Boards	**56,325**	52,017
Goods and services from other NHS Wales Trusts	**6,129**	5,826
Goods and services from Welsh Special Health Authorities	**0**	0
Goods and services from other non Welsh NHS bodies	**371**	2,156
Goods and services from NWJCC /WHSSC and EASC	**142,225**	129,262
Local Authorities	**17,020**	19,143
Voluntary organisations	**4,334**	4,515
NHS Funded Nursing Care	**3,269**	3,410
Continuing Care	**54,621**	54,226
Private providers	**8,870**	4,381
Specific projects funded by the Welsh Government	**0**	0
Other	**11**	89
Total	**293,175**	275,025

3.3 Expenditure on Hospital and Community Health Services

	2024-25 £000	2023-24 £000
Directors' costs	3,040	2,628
Operational Staff costs	646,179	610,185
Single lead employer Staff Trainee Cost	20,717	16,539
Collaborative Bank Staff Cost	0	0
Supplies and services - clinical	115,429	105,366
Supplies and services - general	12,647	10,925
Consultancy Services	72	410
Establishment	11,629	11,872
Transport	1,904	1,626
Premises	35,256	31,385
External Contractors	388	28
Depreciation	25,162	24,533
Depreciation Right of Use assets (RoU)	2,432	2,263
Amortisation	728	718
Fixed asset impairments and reversals (Property, plant & equipment)	25,762	16,390
Fixed asset impairments and reversals (RoU Assets)	0	0
Fixed asset impairments and reversals (Intangible assets)	0	0
Impairments & reversals of financial assets	0	0
Impairments & reversals of non-current assets held for sale	0	0
Audit fees	415	418
Other auditors' remuneration	0	0
Losses, special payments and irrecoverable debts	2,274	1,790
Research and Development	0	0
Expense related to short-term leases	303	171
Expense related to low-value asset leases (excluding short-term leases)	346	493
Other operating expenses	4,201	2,114
Total	**908,884**	839,854

3.4 Losses, special payments and irrecoverable debts: charges to operating expenses

Increase/(decrease) in provision for future payments:	2024-25 £000	2023-24 £000
Clinical negligence;		
Secondary care	**14,803**	(3,673)
Primary care	**872**	690
Redress Secondary Care	**685**	97
Redress Primary Care	**0**	0
Personal injury	**411**	(776)
All other losses and special payments	**378**	306
Defence legal fees and other administrative costs	**1,704**	958
Gross increase/(decrease) in provision for future payments	**18,853**	**(2,398)**
Contribution to Welsh Risk Pool	0	0
Premium for other insurance arrangements	0	0
Irrecoverable debts	150	120
Less: income received/due from Welsh Risk Pool	(16,729)	4,068
Total	**2,274**	1,790

	2024-25 £	2023-24 £
Permanent injury included within personal injury £:	363,888	32,538

4. Miscellaneous Income

	2024-25 £000	2023-24 £000
Local Health Boards	23,705	23,727
NWJCC/ WHSSC and EASC	3,470	3,391
NHS Wales trusts	8,771	9,682
Welsh Special Health Authorities	5,796	5,597
Foundation Trusts	0	0
Other NHS England bodies	4,140	3,688
Other NHS Bodies	73	36
Local authorities	6,090	6,197
Welsh Government	2,940	2,454
Welsh Government Hosted bodies	0	0
Non NHS:		
Prescription charge income	1	1
Dental fee income	1,854	1,674
Private patient income	31	27
Overseas patients (non-reciprocal)	238	292
Injury Costs Recovery (ICR) Scheme	718	748
Other income from activities	433	303
Patient transport services	0	0
Education, training and research	8,710	8,108
Charitable and other contributions to expenditure	1,114	1,304
Receipt of NWSSP Covid centrally purchased assets	0	0
Receipt of Covid centrally purchased assets from other organisations	0	0
Receipt of donated assets	2,755	805
Receipt of Government granted assets	4	8
Right of Use Grant (Peppercorn Lease)	0	0
Non-patient care income generation schemes	686	707
NHS Wales Shared Services Partnership (NWSSP)	0	0
Deferred income released to revenue	1,220	1,042
Right of Use Asset Sub-leasing rental income	0	0
Contingent rental income from finance leases	0	0
Rental income from operating leases	459	345
Other income:		
Provision of laundry, pathology, payroll services	289	205
Accommodation and catering charges	1,407	1,412
Mortuary fees	181	184
Staff payments for use of cars	261	221
Business Unit	0	0
Scheme Pays Reimbursement Notional	79	31
Other	2,835	2,134
Total	**78,260**	74,323

Other income Includes;		
Creche Fees	95	166
Design Fees Recharge	628	481
Drugs Rebate	276	292
Contribution from Ty Bryngwyn Hospice	250	80
Werndale Recharge of CSSD packs	127	133
Energy performance contract	0	0
Total	**1,376**	1,152

Injury Cost Recovery (ICR) Scheme income

	2024-25 %	2023-24 %
To reflect expected rates of collection ICR income is subject to a provision for impairment of:	24.45	23.76

5. Investment Revenue

	2024-25	2023-24
	£000	£000
Rental revenue :		
PFI Finance lease income		
planned	0	0
contingent	0	0
Other finance lease revenue	0	0
Interest revenue :		
Bank accounts	0	0
Other loans and receivables	0	0
Impaired financial assets	0	0
Other financial assets	10	11
Total	**10**	11

6. Other gains and losses

	2024-25	2023-24
	£000	£000
Gain/(loss) on disposal of property, plant and equipment	20	17
Gain/(loss) on disposal other than by sale of right of use assets assets	2	0
Gain/(loss) on disposal of intangible assets	0	0
Gain/(loss) on disposal of assets held for sale	0	0
Gain/(loss) on disposal of financial assets	0	0
Change on foreign exchange	0	0
Change in fair value of financial assets at fair value through SoCNE	0	0
Change in fair value of financial liabilities at fair value through SoCNE	0	0
Recycling of gain/(loss) from equity on disposal of financial assets held for sale	0	0
Total	**22**	17

7. Finance costs

	2024-25	2023-24
	£000	£000
Interest on loans and overdrafts	0	0
Interest on obligations under finance leases	10	11
Interest on obligations under Right of Use Leases	156	124
Interest on obligations under PFI contracts;		
main finance cost	0	0
contingent finance cost	0	0
Impact of IFRS 16 on PPP/PFI contracts	0	0
Interest on late payment of commercial debt	0	0
Other interest expense	0	0
Total interest expense	**166**	135
Provisions unwinding of discount	51	48
Other finance costs	0	0
Total	**217**	183

8. Future charges to Statement of Comprehensive Net Expenditure (SoCNE)

LHB as lessee

As at 31 March 2025 the Health Board had 764 leases agreements in place; 222 arrangements in respect of equipment and 542 in respect of vehicles.

The periods in which the remaining agreements will expire are shown below:

	2024-25 Low Value & Short Term	2024-25 Other	2024-25 Total	2023-24 Total
Payments recognised as an expense				
	£000	**£000**	**£000**	£000
Minimum lease payments	**649**	**1,299**	**1,948**	3,709
Contingent rents	**0**	**0**	**0**	0
Sub-lease payments	**0**	**0**	**0**	0
Total	**649**	**1,299**	**1,948**	3,709

Total future minimum lease payments				
Payable	**£000**	**£000**	**£000**	£000
Not later than one year	**83**	**2,859**	**2,942**	2,345
Between one and five years	**137**	**2,647**	**2,784**	2,577
After 5 years	**0**	**0**	**0**	0
Total	**220**	**5,506**	**5,726**	4,922

LHB as lessor

	2024-25	2023-24
Rental revenue	**£000**	£000
Rent	**292**	292
Contingent rents	**0**	0
Total revenue rental	**292**	292

Total future minimum lease payments		
Receivable	**£000**	£000
Not later than one year	**292**	292
Between one and five years	**1,168**	1,461
After 5 years	**268**	268
Total	**1,728**	2,021

9. Employee benefits and staff numbers

9.1 Employee costs

	Permanent Staff	Staff on Inward Secondment	Agency Staff	Specialist Trainee (SLE)	Collaborative Bank Staff	Other	Total	2023-24
	£000	£000	£000	£000	£000	£000	£000	£000
Salaries and wages	497,860	4,092	12,320	16,391	0	6,210	536,873	518,829
Social security costs	49,593	0	0	1,957	0	533	52,083	48,967
Employer contributions to NHS Pension Scheme	99,937	0	0	2,368	0	0	102,305	82,246
Other pension costs	226	0	0	0	0	0	226	305
Other employment benefits	0	0	0	0	0	0	0	0
Termination benefits	0	0	0	0	0	0	0	0
Total	647,616	4,092	12,320	20,716	0	6,743	691,487	650,347

Charged to capital	806	889
Charged to revenue	690,681	649,458
	691,487	650,347
Net movement in accrued employee benefits (untaken staff leave)	150	99

'Other' costs relate to Medacs - Medical & Dental and Additional Healthcare Professionals pay of £6,036k and PAACCS (Scheme Pays) of £7 07k.

9.2 Average number of employees

	Permanent Staff	Staff on Inward Secondment	Agency Staff	Specialist Trainee (SLE)	Collaborative Bank Staff	Other	Total	2023-24
	Number	Number	Number	Number	Number	Number	Number	Number
Administrative, clerical and board members	2,134	3	0	0	0	0	2,137	2,193
Medical and dental	688	2	2	233	0	20	945	945
Nursing, midwifery registered	3,351	1	146	0	0	0	3,498	3,547
Professional, Scientific, and technical staff	376	0	0	0	0	0	376	371
Additional Clinical Services	2,226	0	3	0	0	0	2,229	2,262
Allied Health Professions	736	0	8	0	0	14	758	731
Healthcare Scientists	198	0	2	0	0	0	200	201
Estates and Ancilliary	807	0	0	0	0	0	807	853
Students	1	0	0	0	0	0	1	0
Total	10,517	6	161	233	0	34	10,951	11,103

9.3. Retirements due to ill-health

	2024-25	2023-24
Number	13	10
Estimated additional pension costs £	1,435,972	294,321

This note discloses the number and additional pension costs for individuals who retired early on ill-health grounds during the year. These additional pension costs have been calculated on an average basis and will be borne by the NHS Pension Scheme.

9.4 Employee benefits

The Health Board has no employee benefit schemes.

9.5 Reporting of other compensation schemes - exit packages

9.5.1 Exit Packages Costs and Numbers

Exit packages cost band (including any special payment element)	2024-25 Number of compulsory redundancies	2024-25 Number of other departures	2024-25 Total number of exit packages	2024-25 Number of departures where special payments have been made	2023-24 Total number of exit packages
	Whole numbers only	Whole numbers only	Whole numbers only	Whole numbers only	Whole numbers only
less than £10,000	0	0	0	0	1
£10,000 to £25,000	0	0	0	0	0
£25,000 to £50,000	0	0	0	0	0
£50,000 to £100,000	0	0	0	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	0	0	0	0	1

Exit packages cost band (including any special payment element)	2024-25 Cost of compulsory redundancies	2024-25 Cost of other departures	2024-25 Total cost of exit packages	2024-25 Cost of special element included in exit packages	2023-24 Total cost of exit packages
	£	£	£	£	£
less than £10,000	0	0	0	0	4,000
£10,000 to £25,000	0	0	0	0	0
£25,000 to £50,000	0	0	0	0	0
£50,000 to £100,000	0	0	0	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	0	0	0	0	4,000

Total Exit Costs Paid in Year	Total paid in year 2024-25	Total paid in year 2023-24
	£	£
Exit costs paid in year	0	4,000
Total	0	4,000

There were no exit packages agreed in 2024-25.

This disclosure reports the number and value of exit packages agreed in the year. Note: the expense associated with these departures may have been recognised in part or in full in a previous period.

Redundancy and other departure costs are paid in accordance with the provisions of the NHS Voluntary Early Release Scheme (VERS).

Where the LHB has agreed early retirements, the additional costs are met by the LHB and not by the NHS Pensions Scheme. Ill-health retirement costs are met by the NHS Pensions Scheme and are not included in the table.

9.5 Reporting of other compensation schemes - exit packages continued

9.5.2 Analysis of other departures	2024-25 Agreements Number	2024-25 Total value of agreements £
Type of other departures		
Voluntary redundancies including early retirement contractual costs	0	0
Contractual payments in lieu of notice	0	0
Exit payments following Employment Tribunals or court orders	0	0
Non-contractual payments requiring Welsh Government Approval	0	0
Other please specify	0	0
Other please specify	0	0
Total	**0**	**0**

There were no exit packages agreed in 2024-25.

This disclosure provides detail for the number and value of exit packages agreed in the year.

As a single exit package can be made up of several components each of which will be counted separately in this Note, the total number above will not necessarily match the total numbers in Note 9.5.1 which will be the number of individuals.

9.6 Fair Pay disclosures

9.6.1 Remuneration Relationship

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director/employee in their organisation and the 25th percentile, median and 75th percentile remuneration of the organisation's workforce.

The Accountability Report shows that the full year equivalent salary for the Interim Medical Director was in the band £230 -235k. However, only £190-£195k of this related to the salary for the executive role of Interim Medical Director. Therefore the Chief Executive is

	2024-25	**2024-25**	**2024-25**	2023-24	2023-24	2023-24
	£000	**£000**	**£000**	£000	£000	£000
Total pay and benefits	**Chief Executive**	**Employee**	**Ratio**	Chief Executive	Employee	Ratio
25th percentile pay ratio	**228**	**24**	**9.50:1**	223	23	9.70:1
Median pay	**228**	**32**	**7.13:1**	223	29	7.69:1
75th percentile pay ratio	**228**	**47**	**4.85:1**	223	43	5.19:1
Salary component of total pay and benefits						
25th percentile pay ratio	**228**	**24**		223	23	
Median pay	**228**	**32**		223	29	
75th percentile pay ratio	**228**	**47**		223	43	

In 2024-25, 39 (2023-24, 35) employees received remuneration in excess of the highest-paid director.

Remuneration for all staff ranged from £23,970 to £353,573 (2023-24, £22,123 to £451,381).

The all staff range includes directors (including the highest paid director) and excludes pension benefits of all employees.

Financial Year Summary

The median pay of the workforce reflects, in part, the consolidated 5.5% increase with effect from 1 April 2024 for all AfC staff and any change in the composition of the workforce.

9.6.2 Percentage Changes	**2023-24 to 2024-25**	2022-23 to 2023-24
% Change from previous financial year in respect of Chief Executive	**%**	**%**
Salary and allowances	**2**	7
Performance pay and bonuses	**0**	0
Average % Change from previous financial year in respect of employees taken as a whole		
Salary and allowances	**11**	0
Performance pay and bonuses	**0**	0

9.7 Pension costs

Past and present employees are covered by the provisions of the NHS Pension Schemes. Details of the benefits payable and rules of the schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”.
An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary’s Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2025, is based on valuation data as at 31 March 2023, updated to 31 March 2025 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the Statement by the Actuary, which forms part of the annual NHS Pension Scheme Annual Report and Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (considering recent demographic experience), and to recommend the contribution rate payable by employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from 1 April 2024 to 23.7% of pensionable pay. The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates.

The 2024 actuarial valuation is currently being prepared and will be published before new contribution rates are implemented from April 2027.

c) National Employment Savings Trust (NEST)

NEST is a workplace pension scheme, which was set up by legislation and is treated as a trust-based scheme. The Trustee responsible for running the scheme is NEST Corporation. It's a non-departmental public body (NDPB) that operates at arm's length from government and is accountable to Parliament through the Department for Work and Pensions (DWP).

NEST Corporation has agreed a loan with the Department for Work and Pensions (DWP). This has paid for the scheme to be set up and will cover expected shortfalls in scheme costs during the earlier years while membership is growing.

NEST Corporation aims for the scheme to become self-financing while providing consistently low charges to members.

Using qualifying earnings to calculate contributions, currently the legal minimum level of contributions is 8% of a jobholder's qualifying earnings, for employers whose legal duties have started. The employer must pay at least 3% of this.

The earnings band used to calculate minimum contributions under existing legislation is called qualifying earnings. Qualifying earnings are currently those between £6,240 and £50,270 for the 2024-25 tax year (2023-24 £6,240 and £50,270).

Restrictions on the annual contribution limits were removed on 1 April 2017.

10. Public Sector Payment Policy - Measure of Compliance

10.1 Prompt payment code - measure of compliance

The Welsh Government requires that Health Boards pay all their trade creditors in accordance with the CBI prompt payment code and Government Accounting rules. The Welsh Government has set as part of the Health Board financial targets a requirement to pay 95% of the number of non-NHS creditors within 30 days of delivery.

	2024-25	**2024-25**	2023-24	2023-24
NHS	**Number**	**£000**	Number	£000
Total bills paid	3,603	369,876	3,667	340,738
Total bills paid within target	3,127	363,701	3,070	336,857
Percentage of bills paid within target	**86.8%**	**98.3%**	83.7%	98.9%
Non-NHS				
Total bills paid	236,022	504,712	274,883	665,346
Total bills paid within target	228,149	487,404	263,334	643,214
Percentage of bills paid within target	**96.7%**	**96.6%**	95.8%	96.7%
Total				
Total bills paid	**239,625**	**874,588**	278,550	1,006,084
Total bills paid within target	**231,276**	**851,105**	266,404	980,071
Percentage of bills paid within target	**96.5%**	**97.3%**	95.6%	97.4%

10.2 The Late Payment of Commercial Debts (Interest) Act 1998

	2024-25	2023-24
	£	£
Amounts included within finance costs (note 7) from claims made under this legislation	**0**	0
Compensation paid to cover debt recovery costs under this legislation	**0**	0
Total	**0**	**0**

11.1 Property, plant and equipment

2024-25

	Land £000	Buildings, excluding dwellings £000	Dwellings £000	Assets under construction & payments on account £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost or valuation at 1 April 2024	24,061	282,211	9,570	33,535	97,734	328	33,401	13,270	494,110
Indexation	114	3,564	172	0	0	0	0	0	3,850
Additions									
- purchased	0	2,315	0	23,999	9,062	0	4,288	1,229	40,893
- donated	0	0	0	2,126	629	0	0	0	2,755
- government granted	0	0	0	0	0	0	4	0	4
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Reclassifications	0	45,357	0	(45,357)	0	0	0	0	0
Revaluations	0	52	(210)	0	0	0	0	0	(158)
Reversal of impairments	143	2,488	0	0	0	0	0	0	2,631
Impairments	0	(34,107)	0	0	0	0	0	0	(34,107)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(3,175)	0	(5)	(2)	(3,182)
At 31 March 2025	24,318	301,880	9,532	14,303	104,250	328	37,688	14,497	506,796
Depreciation at 1 April 2024	0	18,044	843	0	71,439	136	23,916	10,003	124,381
Indexation	0	230	15	0	0	0	0	0	245
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	(610)	(376)	0	(26)	0	0	0	(1,012)
Reversal of impairments	0	95	0	0	0	0	0	0	95
Impairments	0	(5,809)	0	0	0	0	0	0	(5,809)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(3,141)	0	(5)	(2)	(3,148)
Provided during the year	0	11,099	526	0	8,458	36	3,576	1,467	25,162
At 31 March 2025	0	23,049	1,008	0	76,730	172	27,487	11,468	139,914
Net book value at 1 April 2024	24,061	264,167	8,727	33,535	26,295	192	9,485	3,267	369,729
Net book value at 31 March 2025	24,318	278,831	8,524	14,303	27,520	156	10,201	3,029	366,882
Net book value at 31 March 2025 comprises :									
Purchased	24,109	274,016	8,524	12,177	25,544	156	10,180	3,003	357,709
Donated	209	4,815	0	2,126	1,472	0	8	26	8,656
Government Granted	0	0	0	0	504	0	13	0	517
At 31 March 2025	24,318	278,831	8,524	14,303	27,520	156	10,201	3,029	366,882
Asset financing :									
Owned	24,318	278,831	8,524	14,303	27,520	156	10,201	3,029	366,882
On-SoFP MIMS Funded PPP contracts	0	0	0	0	0	0	0	0	0
On-SoFP PFI contracts	0	0	0	0	0	0	0	0	0
PFI residual interests	0	0	0	0	0	0	0	0	0
At 31 March 2025	24,318	278,831	8,524	14,303	27,520	156	10,201	3,029	366,882

The net book value of land, buildings and dwellings at 31 March 2025 comprises :

	£000
Freehold	307,590
Long Leasehold	4,083
Short Leasehold	0
	311,673

Valuers 'material uncertainty', in valuation. The disclosure relates to the materiality in the valuation report not that of the underlying account. 0

The land and buildings were revalued by the Valuation Office Agency with an effective date of 1 April 2022. The valuation hasbeen prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards. LHB s are required to apply the revaluation modelset out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in occupation.

11.1 Property, plant and equipment

2023-24	Land £000	Buildings, excluding dwellings £000	Dwellings £000	Assets under construction & payments on account £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost at 31 March bf	24,829	264,063	8,629	27,866	94,554	265	34,878	13,815	468,899
NHS Wales Transfers	0	0	0	0	0	0	0	0	0
Prepayments	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0	0	0
Cost or valuation at 1 April 2023	24,829	264,063	8,629	27,866	94,554	265	34,878	13,815	468,899
Indexation	(403)	6,985	515	0	0	0	0	0	7,097
Additions									
- purchased	0	1,058	0	34,204	4,775	63	3,385	479	43,964
- donated	0	0	0	110	675	0	3	11	799
- government granted	0	0	0	0	0	0	8	0	8
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Reclassifications	0	28,130	0	(28,645)	515	0	0	0	0
Revaluations	0	0	426	0	0	0	0	0	426
Reversal of impairments	0	8,794	0	0	0	0	0	0	8,794
Impairments	(365)	(26,819)	0	0	0	0	0	0	(27,184)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(2,785)	0	(4,873)	(1,035)	(8,693)
At 31 March 2024	**24,061**	**282,211**	**9,570**	**33,535**	**97,734**	**328**	**33,401**	**13,270**	**494,110**
Depreciation at 31 March bf	0	9,211	464	0	65,870	102	25,238	9,498	**110,383**
NHS Wales Transfers	0	0	0	0	0	0	0	0	**0**
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0	0	**0**
Depreciation at 1 April 2023	0	9,211	464	0	65,870	102	25,238	9,498	110,383
Indexation	0	261	28	0	0	0	0	0	289
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	0	(143)	0	(48)	0	0	0	(191)
Reversal of impairments	0	289	0	0	0	0	0	0	289
Impairments	0	(2,289)	0	0	0	0	0	0	(2,289)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(2,734)	0	(4,873)	(1,026)	(8,633)
Provided during the year	0	10,572	494	0	8,351	34	3,551	1,531	24,533
At 31 March 2024	**0**	**18,044**	**843**	**0**	**71,439**	**136**	**23,916**	**10,003**	**124,381**
Net book value at 1 April 2023	**24,829**	**254,852**	**8,165**	**27,866**	**28,684**	**163**	**9,640**	**4,317**	**358,516**
Net book value at 31 March 2024	**24,061**	**264,167**	**8,727**	**33,535**	**26,295**	**192**	**9,485**	**3,267**	**369,729**
Net book value at 31 March 2024 comprises :									
Purchased	**23,854**	**259,388**	**8,727**	**33,425**	**24,400**	**192**	**9,438**	**3,213**	**362,637**
Donated	**207**	**4,779**	**0**	**110**	**1,222**	**0**	**34**	**54**	**6,406**
Government Granted	**0**	**0**	**0**	**0**	**673**	**0**	**13**	**0**	**686**
At 31 March 2024	**24,061**	**264,167**	**8,727**	**33,535**	**26,295**	**192**	**9,485**	**3,267**	**369,729**
Asset financing :									
Owned	**24,061**	**264,167**	**8,727**	**33,535**	**26,295**	**192**	**9,485**	**3,267**	**369,729**
On-SoFP PFI contracts	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
PFI residual interests	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
At 31 March 2024	**24,061**	**264,167**	**8,727**	**33,535**	**26,295**	**192**	**9,485**	**3,267**	**369,729**

The net book value of land, buildings and dwellings at 31 March 2024 comprises :

	£000
Freehold	293,964
Long Leasehold	2,991
Short Leasehold	0
	296,955

Valuers 'material uncertainty', in valuation. The disclosure relates to the materiality in the valuation report not that of the underlying account. 0

The land and buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2022. The valuation h as been prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards. LHB s are required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in occupation.

11. Property, plant and equipment (continued)

Disclosures:

Disclosures:
i) Donated Assets
Hywel Dda University LHB has received the following donated assets during the year:

Hywel Dda General Fund Charity (1147863) Plant and Machinery	£502,082
Hywel Dda General Fund Charity (1147863) AUC	£2,106,266
Other Contributions	£146,235

ii) Valuations
The LHBs land and Buildings were revalued by the Valuation Office Agency with an effective date of 1 April 2022. The valuation has been prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards.

The LHB is required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value i s defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in operation.

iii) Asset Lives
Depreciated as follows:
- Land is not depreciated.
- Buildings as determined by the Valuation Office Agency.
- Equipment 5-15 years.

iv) Compensation
There has been no compensation received from third parties for assets impaired, lost or given up, that is included in the income statement.

v) Write Downs
There have not been write downs.

vi) The LHB does not hold any property where the value is materially different from its open market value.

vii) Assets Held for Sale or sold in the period.
There are not assets held for sale or sold in the period.

viii) IFRS 13 Fair value measurement
There are no assets requiring Fair Value measurement under IFRS 13.

11. Property, plant and equipment

11.2 Non-current assets held for sale

	Land	Buildings, including dwelling	Other property, plant and equipment	Intangible assets	Other assets	Total
	£000	£000	£000	£000	£000	£000
Balance brought forward 1 April 2024	0	0	0	0	0	**0**
Plus assets classified as held for sale in the year	0	0	0	0	0	**0**
Revaluation	0	0	0	0	0	**0**
Less assets sold in the year	0	0	0	0	0	**0**
Add reversal of impairment of assets held for sale	0	0	0	0	0	**0**
Less impairment of assets held for sale	0	0	0	0	0	**0**
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	0	0	0	**0**
Balance carried forward 31 March 2025	0	0	0	0	0	**0**
Balance brought forward 1 April 2023	0	0	0	0	0	**0**
Plus assets classified as held for sale in the year	0	0	0	0	0	**0**
Revaluation	0	0	0	0	0	**0**
Less assets sold in the year	0	0	0	0	0	**0**
Add reversal of impairment of assets held for sale	0	0	0	0	0	**0**
Less impairment of assets held for sale	0	0	0	0	0	**0**
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	0	0	0	**0**
Balance carried forward 31 March 2024	0	0	0	0	0	**0**

11.3 Right of Use Assets

The organisation's right of use asset leases are disclosed across the relevant headings within the note. None are individually insignificant.

2024-25	Land £000	Land & buildings £000	Buildings £000	Dwellings £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost or valuation at 1 April 2024	**223**	**7,998**	**0**	**0**	**2,765**	**1,111**	**894**	**0**	**12,991**
Additions	0	2,955	0	0	510	231	0	0	**3,696**
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	**0**
Disposals other than by sale	0	(72)	0	0	0	(66)	0	0	**(138)**
Reclassifications	0	0	0	0	0	0	0	0	**0**
Revaluations	0	0	0	0	0	0	0	0	**0**
Reversal of impairments	0	0	0	0	0	0	0	0	**0**
Impairments	0	0	0	0	0	0	0	0	**0**
De-recognition	0	0	0	0	0	0	0	0	**0**
At 31 March 2025	**223**	**10,881**	**0**	**0**	**3,275**	**1,276**	**894**	**0**	**16,549**
Depreciation at 1 April 2024	**25**	**2,444**	**0**	**0**	**713**	**551**	**291**	**0**	**4,024**
Recognition	0	0	0	0	0	0	0	0	**0**
Transfers from/into other NHS bodies	0	0	0	0	0	0	0	0	**0**
Disposals other than by sale	0	(30)	0	0	0	(66)	0	0	**(96)**
Reclassifications	0	0	0	0	0	(171)	171	0	**0**
Revaluations	0	0	0	0	0	0	0	0	**0**
Reversal of impairments	0	0	0	0	0	0	0	0	**0**
Impairments	0	0	0	0	0	0	0	0	**0**
De-recognition	0	0	0	0	0	0	0	0	**0**
Provided during the year	14	1,205	0	0	455	398	360	0	**2,432**
At 31 March 2025	**39**	**3,619**	**0**	**0**	**1,168**	**712**	**822**	**0**	**6,360**
Net book value at 1 April 2024	**198**	**5,554**	**0**	**0**	**2,052**	**560**	**603**	**0**	**8,967**
Net book value at 31 March 2025	**184**	**7,262**	**0**	**0**	**2,107**	**564**	**72**	**0**	**10,189**

RoU Asset Total Value Split by Lessor **Lessor**	**Land £000**	**Land & buildings £000**	**Buildings £000**	**Dwellings £000**	**Plant and machinery £000**	**Transport equipment £000**	**Information technology £000**	**Furniture & fittings £000**	**Total £000**
NHS Wales Peppercorn Leases	0	2	0	0	0	0	0	0	**2**
NHS Wales Market Value Leases	0	0	0	0	0	0	0	0	**0**
Other Public Sector Peppercorn Leases	33	0	0	0	0	0	0	0	**33**
Other Public Sector Market Value Leases	0	2,688	0	0	0	0	0	0	**2,688**
Private Sector Peppercorn Leases	134	0	0	0	0	0	0	0	**134**
Private Sector Market Value Leases	17	4,572	0	0	2,107	564	72	0	**7,332**
Total	**184**	**7,262**	**0**	**0**	**2,107**	**564**	**72**	**0**	**10,189**

11.3 Right of Use Assets

The organisation's right of use asset leases are disclosed across the relevant headings below. None are individually insignificant.

2023-24	Land £000	Land & buildings £000	Buildings £000	Dwellings £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost or valuation at 31 March 2023	223	7,704	0	0	2,249	545	496	0	**11,217**
Lease prepayments in relation to RoU Assets	0	0	0	0	0	0	0	0	**0**
Transfer of Finance Leases from PPE Note	0	0	0	0	0	0	0	0	**0**
Operating Leases Transitioning	0	0	0	0	0	0	0	0	**0**
Cost or valuation at 1 April 2023	**223**	**7,704**	**0**	**0**	**2,249**	**545**	**496**	**0**	**11,217**
Additions	0	294	0	0	516	737	398	0	**1,945**
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	**0**
Disposals other than by sale	0	0	0	0	0	-171	0	0	**-171**
Reclassifications	0	0	0	0	0	0	0	0	**0**
Revaluations	0	0	0	0	0	0	0	0	**0**
Reversal of impairments	0	0	0	0	0	0	0	0	**0**
Impairments	0	0	0	0	0	0	0	0	**0**
De-recognition	0	0	0	0	0	0	0	0	**0**
At 31 March 2024	**223**	**7,998**	**0**	**0**	**2,765**	**1,111**	**894**	**0**	**12,991**
Depreciation at 31 March 2023	11	1,199	0	0	317	228	177	0	**1,932**
Transfer of Finance Leases from PPE Note	0	0	0	0	0	0	0	0	**0**
Operating Leases Transitioning	0	0	0	0	0	0	0	0	**0**
Depreciation at 1 April 2023	**11**	**1,199**	**0**	**0**	**317**	**228**	**177**	**0**	**1,932**
Recognition	0	0	0	0	0	0	0	0	**0**
Transfers from/into other NHS bodies	0	0	0	0	0	0	0	0	**0**
Disposals other than by sale	0	0	0	0	0	0	-171	0	**-171**
Reclassifications	0	0	0	0	0	0	0	0	**0**
Revaluations	0	0	0	0	0	0	0	0	**0**
Reversal of impairments	0	0	0	0	0	0	0	0	**0**
Impairments	0	0	0	0	0	0	0	0	**0**
De-recognition	0	0	0	0	0	0	0	0	**0**
Provided during the year	14	1,245	0	0	396	323	285	0	**2,263**
At 31 March 2024	**25**	**2,444**	**0**	**0**	**713**	**551**	**291**	**0**	**4,024**
Net book value at 1 April 2023	**212**	**6,505**	**0**	**0**	**1,932**	**317**	**319**	**0**	**9,285**
Net book value at 31 March 2024	**198**	**5,554**	**0**	**0**	**2,052**	**560**	**603**	**0**	**8,967**

RoU Asset Total Value Split by Lessor Lessor	Land £000	Land & buildings £000	Buildings £000	Dwellings £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
NHS Wales Peppercorn Leases	0	3	0	0	0	0	0	0	**3**
NHS Wales Market Value Leases	0	0	0	0	0	0	0	0	**0**
Other Public Sector Peppercorn Leases	33	0	0	0	0	0	0	0	**33**
Other Public Sector Market Value Leases	0	636	0	0	0	0	0	0	**636**
Private Sector Peppercorn Leases	139	0	0	0	0	0	0	0	**139**
Private Sector Market Value Leases	26	4,915	0	0	2,052	731	432	0	**8,156**
Total	**198**	**5,554**	**0**	**0**	**2,052**	**731**	**432**	**0**	**8,967**

11.3 Right of Use Assets continued

Quantitative disclosures

Maturity analysis	**2024-25 Land**	**2024-25 Buildings**	**2024-25 Other**	**2024-25 Total**	**2023-24 Total**
Contractual undiscounted cash flows relating to lease liabilities	**£000**	**£000**	**£000**	**£000**	**£000**
Less than 1 year	9	1,382	1,106	2,497	2,379
2-5 years	8	3,272	2,074	5,354	6,002
> 5 years	0	1,944	16	1,960	2,047
Less finance charges allocated to future periods	0	(489)	(147)	(636)	(377)
Total	**17**	**6,109**	**3,049**	**9,175**	**10,051**

Lease Liabilities (net of irrecoverable VAT)	**2024-25**	**2023-24**
Current	2,338	2,253
Non-Current	6,837	7,798
Total	**9,175**	**10,051**

Amounts Recognised in Statement of Comprehensive Net Expenditure	**2024-25**	**2023-24**
Depreciation	2,432	2,263
Impairment	0	0
Variable lease payments not included in lease liabilities - Interest expense	156	124
Sub-leasing income	0	0
Expense related to short-term leases	303	171
Expense related to low-value asset leases (excluding short-term leases)	346	493

Amounts Recognised in Statement of Cashflows (net of irrecoverable VAT)		
Interest expense	(156)	(124)
Repayments of principal on leases	(2,354)	(2,151)
Total	**(2,510)**	**(2,275)**

12. Intangible non-current assets
2024-25

	Software (purchased)	Software (internally generated)	Licences and trademarks	Patents	Development expenditure-internally generated	Assets under Construction	Total
	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2024	7,053	0	77	0	0	0	7,130
Revaluation	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0
Additions- purchased	258	0	0	0	0	0	258
Additions- internally generated	0	0	0	0	0	0	0
Additions- donated	0	0	0	0	0	0	0
Additions- government granted	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0
Transfer from/into other NHS bodies	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0
Gross cost at 31 March 2025	7,311	0	77	0	0	0	7,388
Amortisation at 1 April 2024	4,631	0	77	0	0	0	4,708
Revaluation	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0
Impairment	0	0	0	0	0	0	0
Provided during the year	728	0	0	0	0	0	728
Reclassified as held for sale	0	0	0	0	0	0	0
Transfer from/into other NHS bodies	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0
Amortisation at 31 March 2025	5,359	0	77	0	0	0	5,436
Net book value at 1 April 2024	2,422	0	0	0	0	0	2,422
Net book value at 31 March 2025	1,952	0	0	0	0	0	1,952
NBV at 31 March 2025							
Purchased	1,945	0	0	0	0	0	1,945
Donated	4	0	0	0	0	0	4
Government Granted	3	0	0	0	0	0	3
Internally generated	0	0	0	0	0	0	0
Total at 31 March 2025	1,952	0	0	0	0	0	1,952

12. Intangible non-current assets
2023-24

	Software (purchased)	Software (internally generated)	Licences and trademarks	Patents	Development expenditure-internally generated	Assets under Construction	Total
	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2023	**6,009**	**0**	**77**	**0**	**0**	**0**	**6,086**
Revaluation	0	0	0	0	0	0	**0**
Reclassifications	0	0	0	0	0	0	**0**
Reversal of impairments	0	0	0	0	0	0	**0**
Impairments	0	0	0	0	0	0	**0**
Additions- purchased	1,038	0	0	0	0	0	**1,038**
Additions- internally generated	0	0	0	0	0	0	**0**
Additions- donated	6	0	0	0	0	0	**6**
Additions- government granted	0	0	0	0	0	0	**0**
Reclassified as held for sale	0	0	0	0	0	0	**0**
Transfer from/into other NHS bodies	0	0	0	0	0	0	**0**
Disposals	0	0	0	0	0	0	**0**
Gross cost at 31 March 2024	**7,053**	**0**	**77**	**0**	**0**	**0**	**7,130**
Amortisation at 1 April 2023	**3,913**	**0**	**77**	**0**	**0**	**0**	**3,990**
Revaluation	0	0	0	0	0	0	**0**
Reclassifications	0	0	0	0	0	0	**0**
Reversal of impairments	0	0	0	0	0	0	**0**
Impairment	0	0	0	0	0	0	**0**
Provided during the year	718	0	0	0	0	0	**718**
Reclassified as held for sale	0	0	0	0	0	0	**0**
Transfer from/into other NHS bodies	0	0	0	0	0	0	**0**
Disposals	0	0	0	0	0	0	**0**
Amortisation at 31 March 2024	**4,631**	**0**	**77**	**0**	**0**	**0**	**4,708**
Net book value at 1 April 2023	**2,096**	**0**	**0**	**0**	**0**	**0**	**2,096**
Net book value at 31 March 2024	**2,422**	**0**	**0**	**0**	**0**	**0**	**2,422**
NBV at 31 March 2024							
Purchased	2,410	0	0	0	0	0	**2,410**
Donated	6	0	0	0	0	0	**6**
Government Granted	6	0	0	0	0	0	**6**
Internally generated	0	0	0	0	0	0	**0**
Total at 31 March 2024	**2,422**	**0**	**0**	**0**	**0**	**0**	**2,422**

Additional Disclosures re Intangible Assets

Disclosures:
i) Donated Assets

Hywel Dda University LHB has not received any donated intangible assets during the year.

ii) Recognition

Intangible assets acquired separately are initially recognised at fair value. The amount recognised for internally-generated intangible assets is the sum of the expenditure incurred to date when the criteria for recognising internally generated assets has been met (see accounting policy 1.7 for criteria).

iii) Asset Lives

The useful economic life of Intangible non-current assets are assigned on an individual asset basis. Software is generally assigned a 5 year UEL and the UEL of internally generated software is based on the professional judgement of LHB professionals and Finance staff.

iv) Additions during the period

There were £258,000 of software additions in the period.

v) Disposals during the period

There were no disposals in the period.

vi) Transfers into other NHS Bodies

Hywel Dda LHB has not received any intangible assets transferred from another NHS body.
The gross carrying amount of fully amortised intangible assets still in use at 31 March 2025 was £3,771,807.

13 . Impairments

	2024-25 Property, plant & equipment £000	2024-25 Right of Use Assets £000	2024-25 Intangible assets £000	2024-25 Held for sale assets £000	2024-25 Financial Assets £000	2024-25 Total Asset Impairment £000
Impairments arising from :						
Loss or damage from normal operations	0	0	0	0	0	0
Abandonment in the course of construction	0	0	0	0	0	0
Over specification of assets (Gold Plating)	0	0	0	0	0	0
Loss as a result of a catastrophe	0	0	0	0	0	0
Unforeseen obsolescence	0	0	0	0	0	0
Changes in market price	0	0	0	0	0	0
Others (specify)	28,298	0	0	0	0	28,298
Reversal of Impairments	(2,536)	0	0	0	0	(2,536)
Total of all impairments	**25,762**	**0**	**0**	**0**	**0**	**25,762**
Analysis of impairments charged to reserves in year :						
Impairments charged to the Statement of Comprehensive Net Expenditure	25,762	0	0	0	0	25,762
Impairments as a result of revaluation/indexation charged to Revaluation Reserve	0	0	0	0	0	0
Impairments as a result of a loss of economic value or service potential Charged to Revaluation Reserve	0	0	0	0	0	0
Right of Use (RoU) asset impairments reflected in RoU Liability	0	0	0	0	0	0
Total	**25,762**	**0**	**0**	**0**	**0**	**25,762**

	2023-24 Property, plant & equipment £000	2023-24 Right of Use Assets £000	2023-24 Intangible assets £000	2023-24 Held for sale assets £000	2023-24 Financial Assets £000	2023-24 Total Asset Impairment £000
Impairments arising from :						
Loss or damage from normal operations	0	0	0	0	0	0
Abandonment in the course of construction	0	0	0	0	0	0
Over specification of assets (Gold Plating)	0	0	0	0	0	0
Loss as a result of a catastrophe	0	0	0	0	0	0
Unforeseen obsolescence	0	0	0	0	0	0
Changes in market price	0	0	0	0	0	0
Others (specify)	25,298	0	0	0	0	25,298
Reversal of Impairments	(8,506)	0	0	0	0	(8,506)
Total of all impairments	16,792	0	0	0	0	16,792
Analysis of impairments charged to reserves in year :						
Impairments charged to the Statement of Comprehensive Net Expenditure	16,389	0	0	0	0	16,389
Impairments as a result of revaluation/indexation charged to Revaluation Reserve	403	0	0	0	0	403
Impairments as a result of a loss of economic value or service potential Charged to Revaluation Reserve	0	0	0	0	0	0
Right of Use (RoU) asset impairments reflected in RoU Liability	0	0	0	0	0	0
Total	16,792	0	0	0	0	16,792

Other impairments above comprised of:
Revaluations of major capital schemes at completion:
- Glangwili Fire Improvements Phase 1 - £15.571m
- Withybush RAAC remedial work - £6.550m
- Withybush Fire Improvements Decant Ward - £5.255m
- Prince Philip Hospital Fire improvements - £0.922m

14.1 Inventories

	31 March 2025	31 March 2024
	£000	£000
Drugs	6,171	6,040
Consumables	6,130	5,378
Energy	174	198
Work in progress	0	0
Other	0	0
Total	**12,475**	11,616
Of which held at realisable value	0	0

14.2 Inventories recognised in expenses

	31 March 2025	31 March 2024
	£000	£000
Inventories recognised as an expense in the period	0	0
Write-down of inventories (including losses)	0	0
Reversal of write-downs that reduced the expense	0	0
Total	**0**	**0**

15. Trade and other Receivables

Current	31 March 2025 £000	31 March 2024 £000
Welsh Government	1,777	737
NWJCC/ WHSSC and EASC	108	362
Welsh Health Boards	1,420	1,714
Welsh NHS Trusts	1,873	3,096
Welsh Special Health Authorities	723	1,139
Non - Welsh Trusts	0	0
Other NHS	438	516
2019-20 Scheme Pays - Welsh Government Reimbursement	707	633
Welsh Risk Pool Claim reimbursement		
NHS Wales Secondary Health Sector	33,867	41,097
NHS Wales Primary Sector FLS Reimbursement	1,631	910
NHS Wales Redress	2,016	1,347
Other	0	0
Local Authorities	852	3,452
Capital receivables - Tangible	0	0
Capital receivables - Intangible	0	0
Other receivables	14,426	15,141
Provision for irrecoverable debts	(1,201)	(1,050)
Pension Prepayments NHS Pensions	0	0
Pension Prepayments NEST	0	0
Other prepayments	9,871	7,335
Other accrued income	0	0
Sub total	**68,508**	76,429
Non-current		
Welsh Government	0	0
NWJCC/WHSSC and EASC	0	0
Welsh Health Boards	0	0
Welsh NHS Trusts	0	0
Welsh Special Health Authorities	0	0
Non - Welsh Trusts	0	0
Other NHS	0	0
2019-20 Scheme Pays - Welsh Government Reimbursement	0	0
Welsh Risk Pool Claim reimbursement;		
NHS Wales Secondary Health Sector	59,117	54,652
NHS Wales Primary Sector FLS Reimbursement	3	12
NHS Wales Redress	2	0
Other	0	0
Local Authorities	0	0
Capital receivables - Tangible	0	0
Capital receivables - Intangible	0	0
Other receivables	0	0
Provision for irrecoverable debts	0	0
Pension Prepayments NHS Pensions	0	0
Pension Prepayments NEST	0	0
Other prepayments	0	0
Other accrued income	0	0
Sub total	**59,122**	54,664
Total	**127,630**	131,093

The great majority of trade is with other NHS bodies. As NHS bodies are funded by Welsh Government, no credit scoring of them is considered necessary.

The value of trade receivables that are past their payment date but not impaired is £0.49m (2023-24: £1.68m).

15. Trade and other Receivables (continued)

Receivables past their due date but not impaired

	31 March 2025 £000	31 March 2024 £000
By up to three months	**370**	1,072
By three to six months	**21**	484
By more than six months	**100**	129
	491	1,685

Expected Credit Losses (ECL) / Provision for impairment of receivables

Balance at 1 April	**(1,050)**	(930)
Transfer to other NHS Wales body	**0**	0
Amount written off during the year	**100**	51
Amount recovered during the year	**0**	0
(Increase) / decrease in receivables impaired	**(251)**	(171)
Bad debts recovered during year	**0**	0
Balance at 31 March	**(1,201)**	(1,050)

In determining whether a debt should be impaired, consideration is given to the age of the debt, historic collectability rates and the results of actions already taken including referral to the Health Board's credit agencies.

Receivables VAT

Trade receivables	**1,307**	1,969
Other	**0**	0
Total	**1,307**	1,969

16. Other Financial Assets

	Current		Non-current	
	31 March 2025	31 March 2024	**31 March 2025**	31 March 2024
	£000	£000	**£000**	£000
Financial assets				
Shares and equity type investments				
Held to maturity investments at amortised costs	**0**	0	**0**	0
At fair value through SOCNE	**0**	0	**0**	0
Available for sale at FV	**0**	0	**0**	0
Deposits	**0**	0	**0**	0
Loans	**0**	0	**0**	0
Derivatives	**0**	0	**0**	0
Other (Specify)				
Right of Use Asset Finance Sublease	**148**	147	**826**	974
Held to maturity investments at amortised costs	**0**	0	**0**	0
At fair value through SOCNE	**0**	0	**0**	0
Available for sale at FV	**0**	0	**0**	0
Total	**148**	**147**	**826**	**974**

RoU Sub-leasing income Recognised in Statement of Comprehensive Net Expenditure	**2024-25**	**2023-24**
RoU Sub-leasing income	0	0

17. Cash and cash equivalents

	2024-25	2023-24
	£000	£000
Balance at 1 April	**2,141**	3,944
Net change in cash and cash equivalent balances	**1,802**	(1,803)
Balance at 31 March	**3,943**	2,141
Made up of:		
Cash held at GBS	**2,378**	923
Commercial banks	**1,546**	1,200
Cash in hand	**19**	18
Cash and cash equivalents as in Statement of Financial Position	**3,943**	2,141
Bank overdraft - GBS	**0**	0
Bank overdraft - Commercial banks	**0**	0
Cash and cash equivalents as in Statement of Cash Flows	**3,943**	2,141

In response to the IAS 7 requirement for additional disclosure, the changes in liabilities arising for financing activities are;

Lease Liabilities (ROUA) £0.876m

The movement relates to cash, no comparative information is required by IAS 7 in 2024-25.

18. Trade and other payables

Current	**31 March 2025 £000**	31 March 2024 £000
Welsh Government	**7**	1
NWJCC/WHSSC and EASC	**2,505**	2,316
Welsh Health Boards	**4,317**	2,599
Welsh NHS Trusts	**2,583**	2,937
Welsh Special Health Authorities	**20**	1,318
Other NHS	**11,526**	9,969
Taxation and social security payable / refunds	**6,703**	6,100
Refunds of taxation by HMRC	**0**	0
VAT payable to HMRC	**0**	0
Other taxes payable to HMRC	**0**	0
NI contributions payable to HMRC	**6,260**	6,210
Non-NHS payables - Revenue	**35,782**	34,891
Local Authorities	**11,205**	18,884
Capital payables- Tangible	**13,735**	12,902
Capital payables- Intangible	**20**	938
Overdraft	**0**	0
Rentals due under operating leases	**0**	0
RoU Lease Liability	**2,338**	2,253
Obligations under finance leases, HP contracts		
Imputed finance lease element of on SoFP PFI contracts	**0**	0
Impact of IFRS 16 on SoFP PFI contracts	**0**	0
Pensions: staff	**0**	0
Non NHS Accruals	**55,843**	65,374
Deferred Income:		
Deferred Income brought forward	**1,212**	1,031
Deferred Income Additions	**881**	1,223
Transfer to / from current/non current deferred income	**0**	0
Released to SoCNE	**(1,220)**	(1,042)
Other creditors	**8,323**	12,284
PFI assets –deferred credits	**0**	0
Payments on account	**0**	0
Sub Total	**162,040**	180,188

Non-current		
Welsh Government	**0**	0
NWJCC/WHSSC and EASC	**0**	0
Welsh Health Boards	**0**	0
Welsh NHS Trusts	**0**	0
Welsh Special Health Authorities	**0**	0
Other NHS	**0**	0
Taxation and social security payable / refunds	**0**	0
Refunds of taxation by HMRC	**0**	0
VAT payable to HMRC	**0**	0
Other taxes payable to HMRC	**0**	0
NI contributions payable to HMRC	**0**	0
Non-NHS payables - Revenue	**0**	0
Local Authorities	**0**	0
Capital payables- Tangible	**0**	0
Capital payables- Intangible	**0**	0
Overdraft	**0**	0
Rentals due under operating leases	**0**	0
RoU Lease Liability	**6,837**	7,798
Obligations under finance leases, HP contracts		
Imputed finance lease element of on SoFP PFI contracts	**0**	0
Impact of IFRS 16 on SoFP PFI contracts	**0**	0
Pensions: staff	**0**	0
Non NHS Accruals	**0**	0
Deferred Income :		
Deferred Income brought forward	**0**	0
Deferred Income Additions	**0**	0
Transfer to / from current/non current deferred income	**0**	0
Released to SoCNE	**0**	0
Other creditors	**0**	0
PFI assets –deferred credits	**0**	0
Payments on account	**0**	0
Sub Total	**6,837**	7,798
Total	**168,877**	187,986

It is intended to pay all invoices within the 30 day period directed by the Welsh Government.

18. Trade and other payables (continued).

Amounts falling due more than one year are expected to be settled as follows:	**31 March 2025 £000**	31 March 2024 £000
Between one and two years	**1,965**	2,140
Between two and five years	**3,089**	3,651
In five years or more	**1,783**	2,007
Sub-total	**6,837**	7,798

19. Other financial liabilities

	Current		**Non-current**	
Financial liabilities	**31 March 2025 £000**	31 March 2024 £000	**31 March 2025 £000**	31 March 2024 £000
Financial Guarantees:				
At amortised cost	**0**	0	**0**	0
At fair value through SoCNE	**0**	0	**0**	0
Derivatives at fair value through SoCNE	**0**	0	**0**	0
Other:				
At amortised cost	**0**	0	**0**	0
At fair value through SoCNE	**0**	0	**0**	0
Total	**0**	0	**0**	0

20. Provisions

	At 1 April 2024	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2025
Current	£000	£000	£000	£000	£000	£000	£000	£000	£000
Clinical negligence:-									
Secondary care	22,263	0	(890)	100	9,994	(5,439)	(3,522)	0	22,506
Primary care	771	0	0	0	892	(93)	(20)	0	1,550
Redress Secondary care	954	0	(81)	0	932	(218)	(247)	0	1,340
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	2,155	0	0	13	437	(366)	(26)	51	2,264
All other losses and special payments	0	0	0	0	378	(378)	0	0	0
Defence legal fees and other administration	1,067	0	0	61	1,761	(816)	(279)		1,794
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	0			0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	11			32	0	(6)	0	0	37
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	0			0	0	0	0	0	0
Other	149		0	0	4,596	(304)	(93)		4,348
Total	27,370	0	(971)	206	18,990	(7,620)	(4,187)	51	33,839
Non Current									
Clinical negligence:-									
Secondary care	51,210	0	0	(100)	22,624	(1,710)	(14,293)	0	57,731
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	0	0	0	0	0	0	0	0	0
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	13	0	0	(13)	0	0	0	0	0
All other losses and special payments	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	618	0	0	(61)	317	(120)	(95)		659
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	0			0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	622			(32)	79	0	0	0	669
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	2,175	0	0	0	2,175
Other Capital Provisions	0			0	0	0	0	0	0
Other	551		0	0	0	0	(43)		508
Total	53,014	0	0	(206)	25,195	(1,830)	(14,431)	0	61,742
TOTAL									
Clinical negligence:-									
Secondary care	73,473	0	(890)	0	32,618	(7,149)	(17,815)	0	80,237
Primary care	771	0	0	0	892	(93)	(20)	0	1,550
Redress Secondary care	954	0	(81)	0	932	(218)	(247)	0	1,340
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	2,168	0	0	0	437	(366)	(26)	51	2,264
All other losses and special payments	0	0	0	0	378	(378)	0	0	0
Defence legal fees and other administration	1,685	0	0	0	2,078	(936)	(374)		2,453
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	0			0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	633			0	79	(6)	0	0	706
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	2,175	0	0	0	2,175
Other Capital Provisions	0			0	0	0	0	0	0
Other	700		0	0	4,596	(304)	(136)		4,856
Total	80,384	0	(971)	0	44,185	(9,450)	(18,618)	51	95,581

Expected timing of cash flows:

	In year to 31 March 2026	Between 1 April 2026 31 March 2030	Thereafter	Total
				£000
Clinical negligence:-				
Secondary care	22,506	57,731	0	80,237
Primary care	1,550	0	0	1,550
Redress Secondary care	1,340	0	0	1,340
Redress Primary care	0	0	0	0
Personal injury	2,264	0	0	2,264
All other losses and special payments	0	0	0	0
Defence legal fees and other administration	1,794	659	0	2,453
Pensions relating to former directors	0	0	0	0
Pensions relating to other staff	0	0	0	0
2019-20 Scheme Pays - Reimbursement	37	62	607	706
Restructuring	0	0	0	0
RoU Asset Dilapidations CAME	0	72	2,103	2,175
Other Capital Provisions	0	0	0	0
Other	4,348	508	0	4,856
Total	33,839	59,032	2,710	95,581

20. Provisions (continued)

	At 1 April 2023	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2024
Current	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Clinical negligence:-									
Secondary care	8,956	(13,309)	(2,932)	25,293	9,789	(4,918)	(616)	0	**22,263**
Primary care	161	0	0	0	815	(80)	(125)	0	**771**
Redress Secondary care	1,013	0	(43)	0	485	(113)	(388)	0	**954**
Redress Primary care	0	0	0	0	0	0	0	0	**0**
Personal injury	3,801	0	0	0	176	(905)	(965)	48	**2,155**
All other losses and special payments	0	0	0	0	306	(306)	0	0	**0**
Defence legal fees and other administration	835	0	0	299	1,025	(794)	(298)		**1,067**
Pensions relating to former directors	0			0	0	0	0	0	**0**
Pensions relating to other staff	6			0	9	(15)	0	0	**0**
2019-20 Scheme Pays - Reimbursement	9			4	0	(2)	0	0	**11**
Restructuring	0			0	0	0	0	0	**0**
RoU Asset Dilapidations CAME	0			0	0	0	0	0	**0**
Other Capital Provisions	0			0	0	0	0	0	**0**
Other	142		0	0	272	(160)	(105)		**149**
Total	**14,923**	**(13,309)**	**(2,975)**	**25,596**	**12,877**	**(7,293)**	**(2,497)**	**48**	**27,370**
Non Current									
Clinical negligence:-									
Secondary care	76,988	0	0	(25,293)	844	(948)	(381)	0	**51,210**
Primary care	0	0	0	0	0	0	0	0	**0**
Redress Secondary care	0	0	0	0	0	0	0	0	**0**
Redress Primary care	0	0	0	0	0	0	0	0	**0**
Personal injury	0	0	0	0	13	0	0	0	**13**
All other losses and special payments	0	0	0	0	0	0	0	0	**0**
Defence legal fees and other administration	776	0	0	(299)	260	(90)	(29)		**618**
Pensions relating to former directors	0			0	0	0	0	0	**0**
Pensions relating to other staff	0			0	0	0	0	0	**0**
2019-20 Scheme Pays - Reimbursement	595			(4)	31	0	0	0	**622**
Restructuring	0			0	0	0	0	0	**0**
RoU Asset Dilapidations CAME	0			0	0	0	0	0	**0**
Other Capital Provisions	0			0	0	0	0	0	**0**
Other	0		0	0	551	0	0		**551**
Total	**78,359**	**0**	**0**	**(25,596)**	**1,699**	**(1,038)**	**(410)**	**0**	**53,014**
TOTAL									
Clinical negligence:-									
Secondary care	85,944	(13,309)	(2,932)	0	10,633	(5,866)	(997)	0	**73,473**
Primary care	161	0	0	0	815	(80)	(125)	0	**771**
Redress Secondary care	1,013	0	(43)	0	485	(113)	(388)	0	**954**
Redress Primary care	0	0	0	0	0	0	0	0	**0**
Personal injury	3,801	0	0	0	189	(905)	(965)	48	**2,168**
All other losses and special payments	0	0	0	0	306	(306)	0	0	**0**
Defence legal fees and other administration	1,611	0	0	0	1,285	(884)	(327)		**1,685**
Pensions relating to former directors	0			0	0	0	0	0	**0**
Pensions relating to other staff	6			0	9	(15)	0	0	**0**
2019-20 Scheme Pays - Reimbursement	604			0	31	(2)	0	0	**633**
Restructuring	0			0	0	0	0	0	**0**
RoU Asset Dilapidations CAME	0			0	0	0	0	0	**0**
Other Capital Provisions	0			0	0	0	0	0	**0**
Other	142		0	0	823	(160)	(105)		**700**
Total	**93,282**	**(13,309)**	**(2,975)**	**0**	**14,576**	**(8,331)**	**(2,907)**	**48**	**80,384**

21. Contingencies

21.1 Contingent liabilities

	2024-25	2023-24
Provisions have not been made in these accounts for the following amounts :	**£'000**	£'000
Legal claims for alleged medical or employer negligence:-		
Secondary care	**135,710**	128,790
Primary care	**1,694**	2,767
Redress Secondary care	**0**	0
Redress Primary care	**0**	0
Doubtful debts	**0**	0
Equal Pay costs	**0**	0
Defence costs	**2,173**	2,169
Continuing Health Care costs	**457**	606
Other	**0**	0
Total value of disputed claims	**140,034**	134,332
Amounts (recovered) in the event of claims being successful	**(137,440)**	(131,486)
Net contingent liability	**2,594**	2,846

21.2 Remote Contingent liabilities

	2024-25 £000	2023-24 £000
Guarantees	0	0
Indemnities	1,412	300
Letters of Comfort	0	0
Total	**1,412**	**300**

Remote contingent liabilities include nine claims against the Health Board (2023-24: one). Where these claims progress, the majority of the costs incurred (in excess of the £25k per claim attributable to the Health Board) will be recovered from the Welsh Risk Pool. The above amounts represent the remote contingent liabilities prior to any recovery of costs from the Welsh Risk Pool.

21.3 Contingent assets

	2024-25 £000	2023-24 £000
	0	0
Total	**0**	0

22. Capital commitments

Contracted capital commitments at 31 March

The disclosure of future capital commitments not already disclosed as liabilities in the accounts.

	2024-25 £000	2023-24 £000
Property, plant and equipment	2,057	5,209
Right of Use Assets	0	0
Intangible assets	0	0
Total	**2,057**	5,209

23. Losses and special payments

Losses and special payments are charged to the Statement of Comprehensive Net Expenditure in accordance with IFRS but are recorded in the losses and special payments register when payment is made. Therefore, the payments in this note for settlement and claimant costs are prepared on a cash basis.

Gross loss to the Exchequer

23.1 Number of cases and associated amounts paid out during the financial year

	Amounts paid out during period to 31 March 2025	
	Number of cases	**£**
Clinical negligence:-		
Secondary Care	70	7,148,630
Primary Care	3	92,500
Redress Secondary Care	25	217,774
Redress Primary Care	0	0
Personal injury	28	366,478
All other losses and special payments	211	378,116
Total	337	8,203,498

23.2 Analysis of number of cases and associated amounts paid out during the financial year

Case Type		In year cases in excess of £300,000		**Cumulative amount**
		L&R Case reference number	**£**	**£**
Cases in excess of £300,000:				
Clinical negligence:-				
	Secondary Care	MN/101/3356/AS	800,000	1,887,966
		MN/101/3984/EC	325,000	325,000
		MN/101/3051/EC	360,000	360,000
		MN/101/2121/CRM	350,000	350,000
		MN/101/3164/TT	569,250	569,250

	Number of cases	**£**	**£**
Sub-total	**5**	**2,404,250**	**3,492,216**
All other cases paid in year	332	5,799,248	16,596,786
Total cases paid in year	**337**	**8,203,498**	**20,089,002**

23.3 Analysis of number of cases and associated amounts where no payments were made in financial year

	Number of cases	**£**
Cumulative amount up to £300k	60	2,515,426
Cumulative amount greater than £300k	15	32,682,167
Total	**75**	**35,197,593**

24. Right of Use lease obligations

24.1 Obligations (as lessee)

Amounts payable under right of use asset leases:

2024-25

	LAND	BUILDINGS	OTHER	TOTAL
	31 March 2025	31 March 2025	31 March 2025	31 March 2025
Minimum lease payments	£000	£000	£000	£000
Within one year	9	1,382	1,106	**2,497**
Between one and five years	8	3,272	2,074	**5,354**
After five years	0	1,944	16	**1,960**
Less finance charges allocated to future periods	0	(489)	(147)	**(636)**
Minimum lease payments	**17**	**6,109**	**3,049**	**9,175**
Included in:				
Current borrowings	9	1,290	1,039	**2,338**
Non-current borrowings	8	4,819	2,010	**6,837**
	17	**6,109**	**3,049**	**9,175**
Present value of minimum lease payments				
Within one year	9	1,336	1,043	**2,388**
Between one and five years	8	3,049	1,877	**4,934**
After five years	0	1,557	13	**1,570**
Present value of minimum lease payments	**17**	**5,942**	**2,933**	**8,892**
Included in:				
Current borrowings	9	1,336	1,043	**2,388**
Non-current borrowings	8	4,606	1,890	**6,504**
	17	**5,942**	**2,933**	**8,892**

2023-24

	LAND	BUILDINGS	OTHER	TOTAL
	31 March 2024	31 March 2024	31 March 2024	31 March 2024
Minimum lease payments	£000	£000	£000	£000
Within one year	9	1,386	984	2,379
Between one and five years	18	3,776	2,208	6,002
After five years	0	1,766	281	2,047
Less finance charges allocated to future periods	(1)	(229)	(147)	(377)
Minimum lease payments	**26**	**6,699**	**3,326**	**10,051**
Included in:				
Current borrowings	9	1,323	921	**2,253**
Non-current borrowings	17	5,376	2,405	**7,798**
	26	**6,699**	**3,326**	**10,051**
Present value of minimum lease payments				
Within one year	9	1,357	952	2,318
Between one and five years	17	3,607	2,055	5,679
After five years	0	1,617	250	1,867
Present value of minimum lease payments	**26**	**6,581**	**3,257**	**9,864**
Included in:				
Current borrowings	9	1,357	952	**2,318**
Non-current borrowings	17	5,224	2,305	**7,546**
	26	**6,581**	**3,257**	**9,864**

24.2 Right of Use Assets receivables (as lessor)

The Health Board held two Right of Use Assets lease receivables, as a lessor, at the balance sheet date.

Amounts receivable under right of use assets :

	31 March 2025	31 March 2024
Gross Investment in leases	**£000**	£000
Within one year	**157**	157
Between one and five years	**608**	626
After five years	**240**	378
Less finance charges allocated to future periods	**(30)**	(40)
Minimum lease payments	**975**	**1,121**
Included in:		
Current financial assets	**148**	147
Non-current financial assets	**826**	974
	974	1,121
Present value of minimum lease payments		
Within one year	**151**	153
Between one and five years	**575**	597
After five years	**221**	350
Less finance charges allocated to future periods	**(30)**	(40)
Present value of minimum lease payments	**917**	1,060
Included in:		
Current financial assets	**143**	143
Non-current financial assets	**774**	917
	917	1,060

25. Private Finance Initiative contracts

25.1 PFI schemes off-Statement of Financial Position

The Health Board has no PFI Schemes.

Commitments under off-SoFP PFI contracts	Off-SoFP PFI contracts 31 March 2025 £000	Off-SoFP PFI contracts 31 March 2024 £000
Total payments due within one year	0	0
Total payments due between 1 and 5 years	0	0
Total payments due thereafter	0	0
Total future payments in relation to PFI contracts	0	0
Total estimated capital value of off-SoFP PFI contracts	0	0

25.2 PFI schemes on-Statement of Financial Position

The Health Board has no PFI Schemes.

Capital value of scheme included in Fixed Assets Note 11	£000
	0

Contract start date:
Contract end date:

Total obligations for on-Statement of Financial Position PFI contracts due:

2024-25	On SoFP PFI Capital element 31 March 2025 £000	On SoFP PFI IFRS 16 impact Finance Charge 31 March 2025 £000	On SoFP PFI Imputed interest 31 March 2025 £000	On SoFP PFI Service charges 31 March 2025 £000
Total payments due within one year	0	0	0	0
Total payments due between 1 and 5 years	0	0	0	0
Total payments due thereafter	0	0	0	0
Total future payments in relation to PFI contracts	0	0	0	0

2023-24	On SoFP PFI Capital element 31 March 2024 £000	On SoFP PFI IFRS 16 impact Finance Charge 31 March 2024 £000	On SoFP PFI Imputed interest 31 March 2024 £000	On SoFP PFI Service charges 31 March 2024 £000
Total payments due within one year	0	0	0	0
Total payments due between 1 and 5 years	0	0	0	0
Total payments due thereafter	0	0	0	0
Total future payments in relation to PFI contracts	0	0	0	0

	31/03/2025 £000
Total present value of obligations for on-SoFP PFI contracts	0

25.3 Charges to expenditure	2024-25	2023-24
	£000	£000
Service charges for On Statement of Financial Position PFI contracts (excl interest costs)	0	0
Total expense for Off Statement of Financial Position PFI contracts	0	0
The total charged in the year to expenditure in respect of PFI contracts	0	0

The LHB is committed to the following annual charges

PFI scheme expiry date:	£000	£000
Not later than one year	0	0
Later than one year, not later than five years	0	0
Later than five years	0	0
Total	0	0

The estimated annual payments in future years will vary from those which the Health Board is committed to make during the next year by the impact of movement in the Retail Prices Index.

25.4 Number of PFI contracts

	Number of on SoFP PFI contracts	Number of off SoFP PFI contracts
Number of PFI contracts	0	0
Number of PFI contracts which individually have a total commitment > £500m	0	0

PFI Contract	On / Off-statement of financial position
Number of PFI contracts which individually have a total commitment > £500m	0

PFI Contract	On/Off

25.5 The Health Board did not have any Public Private Partnerships during the year.

26. Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking it's activities. The Health Board is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which these standards mainly apply. The Health Board has limited powers to invest and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Health Board in undertaking its activities.

Currency risk

The Health Board is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the United Kingdom and Sterling based. The Health Board does not have any overseas operations. The Health Board therefore has low exposure to currency rate fluctuations.

Interest rate risk

Health Boards are not permitted to borrow and the Health Board therefore has low exposure to interest rate fluctuations.

Credit risk

As the majority of the Health Board's funding derives from funds voted by the Welsh Government the Health Board has low exposure to credit risk.

Liquidity risk

The Health Board is required to operate within cash limits set by the Welsh Government for the financial year and draws down funds from the Welsh Government as the requirement arises. The Health Board is not, therefore, exposed to significant liquidity risks.

27. Movements in working capital

	2024-25 £000	2023-24 £000
(Increase)/decrease in inventories	(859)	(74)
(Increase)/decrease in trade and other receivables - non-current	(4,310)	23,022
(Increase)/decrease in trade and other receivables - current	7,920	(19,243)
Increase/(decrease) in trade and other payables - non-current	(961)	(603)
Increase/(decrease) in trade and other payables - current	(18,148)	(6,439)
Total	(16,358)	(3,337)
Adjustment for accrual movements in fixed assets - creditors	85	417
Adjustment for accrual movements in fixed assets - debtors	0	0
Adjustment for accrual movements in right of use assets - creditors	876	351
Adjustment for accrual movements in right of use assets - debtors	(147)	(145)
Other adjustments	1	0
	(15,543)	(2,714)

28. Other cash flow adjustments

	2024-25 £000	2023-24 £000
Depreciation	27,594	26,796
Amortisation	728	718
(Gains)/Loss on Disposal	(22)	(17)
Impairments and reversals	25,762	16,390
Release of PFI deferred credits	0	0
NWSSP Covid assets issued debited to expenditure but non-cash	0	0
Covid assets received credited to revenue but non-cash	0	0
Donated assets received credited to revenue but non-cash	(2,755)	(805)
Government Grant assets received credited to revenue but non-cash	(4)	(8)
Right of Use Grant (Peppercorn Lease) credited to revenue but non cash	0	0
Non-cash movements in right of use assets	(2,028)	0
Non-cash movements in provisions	24,647	(4,568)
Other movements	40,327	25,059
Total	114,249	63,565

Other movements are Notional funding received for the

- LHB notional 9.4% Staff Employer Pension Contributions £40,322,000 and
- 2019/20 Pensions Annual Allowance Charge Compensation Scheme £5,000

funded directly to the NHSBA Pensions Division by Welsh Government.

29. Events after the Reporting Period

These financial statements were authorised for issue by the Chief Executive and Accountable Officer on 26 June 2025; post the date the financial statements were certified by the Auditor General for Wales.

30. Related Party Transactions

A number of the LHB's Board members have interests in related parties as follows:

Name	Details	Interests
Alwena Hughes Moakes	Communications and Engagement Director	Close family member is employed by Aberystwyth University
Andrew Carruthers	Director of Operations	Close family member is employed by NHS Wales Executive
Ann Murphy	Independent Member	Member of Royal College of Nursing
Chantal Patel	Independent Member	Associate Professor, Swansea University
Delyth Raynsford	Independent Member	Close family member is employed by HDdUHB
Huw Thomas	Director of Finance	Close family member is employed by Carmarthenshire County Council Close family member is employed by HDdUHB Honorary Professor in Aberystwyth University
Iwan Thomas	Independent Member	Independent Board Member on Pembrokeshire College Board (Chair)
Joanne Wilson	Director of Corporate Governance / Board Secretary	Close family member is employed by HDdUHB
Lee Davies	Director of Strategy and Planning	Close family member is employed in a GP practice within HDdUHB
Lisa Gostling	Director of Workforce and OD and Deputy Chief Executive	Governor at Pembrokeshire College Close family members employed by HDdUHB
Mark Henwood	Interim Medical Director	Clinical Chair of the Werndale Hospital (part of the Circle Group)
Maynard Davies	Independent Member	Member of the Information Governance Review Panel for the SAIL Databank run by Swansea University
Michael Gray	Associate Member	Director of Social Services Pembrokeshire County Council
Philip Kloer	Chief Executive	Honorary Professor, Swansea University Medical School Member of Council of St John, Carmarthen
Rhodri Evans	Independent Member	Ceredigion County Councillor Close family member is employed by Audit Wales
Winston Weir	Independent Member	Close family member is an associate professor, at the University of Birmingham

Total value of transactions are with entities at which Board members and key senior staff have influential interests in 2024-25:

List of suppliers from above	Expenditure to related party £000	Income from related party £000	Amounts owed to related party £000	Amounts due from related party £000
Aberystwyth University	184	-	-	-
Audit Wales	636	-	-	-
Carmarthenshire County Council	27,138	1,455	6,889	478
Ceredigion County Council	10,968	386	1,931	112
Pembrokeshire College	70	-	-	-
Pembrokeshire County Council	32,757	3,792	2,359	261
Royal College of Nursing	8	-	-	-
St John Cymru-Wales	109	-	-	-
Swansea University	1,131	75	21	1
University of Birmingham	21	14	-	2
Werndale	669	12	182	32
	73,691	**5,734**	**11,382**	**886**

Hywel Dda University Health Board is the Corporate Trustee of Hywel Dda Health Charities. During the year, the Health Board received £2,608,348 of donated assets from the Charity.
During the year the Health Board made payments on behalf of the Charity. As at 31 March 2025 a balance of £431,730 was owed to the Health Board by the Charity.

The Welsh Government is regarded as a related party of the Health Board. During the year the Health Board had a significant number of material revenue and capital transactions with either the Welsh Government or with other entities for which the Welsh Government is regarded as the parent body, namely:

Related Party	Expenditure to related party £000	Income from related party £000	Amounts owed to related party £000	Amounts due from related party £000
Welsh Government	2	1,316,269	7	1,777
Aneurin Bevan University Health Board	377	438	33	17
Betsi Cadwaladr University Health Board	321	5,677	25	440
Cardiff & Vale University Health Board	8,366	679	757	57
Cwm Taf Morgannwg University Health Board	868	632	74	70
Digital Health & Care Wales (DHCW)	7,184	747	8	104
Health Education & Improvement Wales (HEIW)	28	12,039	12	619
NHS Wales Joint Commissioning Committee	142,225	3,470	2,505	108
Powys Teaching Health Board	543	10,579	53	630
Public Health Wales NHS Trust	2,835	3,828	227	466
Swansea Bay University Health Board	47,361	5,701	3,374	207
Velindre NHS Trust	35,768	4,833	2,333	1,369
Welsh Ambulance Services Trust	1,660	111	24	38
	247,538	**1,365,003**	**9,432**	**5,902**

31. Third Party assets

The LHB held £1,367,121 cash at bank and in hand at 31 March 2025 (31 March 2024, £1,308,415) which relates to monies held by the LHB on behalf of patients. Cash held in patient Investment Accounts amounted to £1,130,920 at 31 March 2025 (31 March 2024, £1,035,355). This has been excluded from the Cash and Cash equivalents figure reported in the accounts.

32. Pooled budgets

Under Section 33 of the NHS (Wales) 2006 Act the Health Board has entered in to multiple pooled budget arrangements with local authorities and accounts for its share of the assets, liabilities, income and expenditure arising from the activities of the pooled budget, identified in accordance with the pooled budget agreement. The financial operation of the pooled budget is governed by a pooled budget agreement between the various local authorities and the Health Board.

Carmarthenshire County Council:

On 1 October 2009 the Health Board entered into a pooled budget arrangement for the provision of an integrated community joint equipment store. The pool is hosted by the local authority and a memorandum note to the final accounts will provide details of the joint income and expenditure. Payments for services provided by the local authority in the sum of £887,092 (2024 - £648,941) are accounted for as expenditure in the accounts of the Health Board.

In addition, on the 3 March 2011 the Health Board entered into a pooled budget arrangement for the provision of Carmarthenshire Community Health and Social Care services. The Section 33 agreement only provided the framework for taking forward future schedules and therefore references all community based health, social care (adults & children) and related housing and public protection services so that if any future developments are considered, a separate agreement will not have to be prepared. There are currently no pooled budgets related to this agreement.

Ceredigion County Council:

On 1 April 2009 the Health Board entered into a pooled budget arrangement for the provision of an integrated community joint equipment store. The pool is hosted by the local authority and a memorandum note to the final accounts will provide details of the joint income and expenditure. Payments for services provided by the local authority in the sum of £446,627 (2024 - £418,000) are accounted for as expenditure in the accounts of the Health Board.

Pembrokeshire County Council:

On 31 March 2011 the Health Board entered into a pooled budget arrangement for the provision of an integrated community joint equipment store. The pool is hosted by the local authority and a memorandum note to the final accounts will provide details of the joint income and expenditure. Payments for services provided by the local authority in the sum of £397,040 (2024 - £312,309) are accounted for as expenditure in the accounts of the Health Board.

33. Operating segments

Accounting standard IFRS 8 defines an operating segment as a component of an entity.

The Health Board has no operating segments requiring disclosure.

34. Other Information

34.1. 9.4% Staff Employer Pension Contributions - Notional Element

The value of notional transactions is based on estimated costs for the twelve month period 1 April 2024 to 31st March 2025. This has been calculated from actual Welsh Government expenditure for the 9.4% staff employer pension contributions between April 2024 and February 2025 alongside Health Board data for March 2025.

Transactions include notional expenditure in relation to the 9.4% paid to NHSBSA by Welsh Government and notional funding to cover that expenditure as follows:

	2024-25	2023-24
Statement of Comprehensive Net Expenditure for the year ended 31 March 2025	**£000**	**£000**
Expenditure on Primary Healthcare Services	**663**	343
Expenditure on healthcare from other providers	**0**	0
Expenditure on Hospital and Community Health Services	**39,659**	24,714
Statement of Changes in Taxpayers' Equity for the year ended 31 March 2025		
Net operating cost for the year	**40,322**	25,057
Notional Welsh Government Funding	**40,322**	25,057
Statement of Cash Flows for year ended 31 March 2025		
Net operating cost for the financial year	**40,322**	25,057
Other cash flow adjustments	**40,322**	25,057
2.1 Revenue Resource Performance		
Revenue Resource Allocation	**40,322**	25,057
3. Analysis of gross operating costs		
3.1 Expenditure on Primary Healthcare Services		
General Medical Services	**663**	343
Pharmaceutical Services	**0**	0
General Dental Services	**0**	0
Other Primary Health Care expenditure	**0**	0
3.2 Expenditure on healthcare from other providers		
	0	0
	0	0
3.3 Expenditure on Hospital and Community Health Services		
Directors' costs	**421**	210
Staff costs	**38,302**	24,349
Single Lead Employer staff trainee costs	**936**	498
9.1 Employee costs		
Permanent Staff		
Employer contributions to NHS Pension Scheme	**40,322**	25,057
Charged to capital	**69**	71
Charged to revenue	**40,253**	24,986
18. Trade and other payables		
Current		
Pensions: staff	**0**	0
28. Other cash flow adjustments		
Other movements	**40,322**	25,057

The Department of Health and Social Care (DHSC) 2023-24 consultation on the NHS Pension Scheme confirmed that the transitional approach that has operated since 2019-20 for employer contributions will continue in 2024-25. From 1 April 2024 an employer rate of 23.7% (23.78% inclusive of the administration charge) will apply. However, the NHS Business Services Authority will continue to only collect 14.38% from NHS Wales employers under their normal monthly payment process to the NHS Pension Scheme. This has a resulted in an increase in the central payments made by Welsh Government from 6.3% to 9.4%.

Other

34.2 IFRS 17 - Insurance Contract Disclosures

The outcome of the contract review for a range of income contract types applicable to the organisation, did not identify any insurance contracts that fall within the scope of IFRS 17.

STATEMENT OF FINANCIAL POSITION

(Signage as per provision note disclosure)	£000
Liability for incurred claims @ 1 April 2024	0
Liability for remaining payments @ 31 March 2025	0
	0
Arising during year	0
Utiised	0
Reversed unused	0
Movement in Discount Rates	0
	0

STATEMENT OF COMPREHENSIVE NET EXPENDITURE / STATEMENT OF COMPREHENSIVE INCOME *Delete as appropriate

(Signage as per income and expenditure note disclosure)	£000
Insurance Income	0
Insurance expenditure	0

THE NATIONAL HEALTH SERVICE IN WALES ACCOUNTS DIRECTION GIVEN BY WELSH MINISTERS IN ACCORDANCE WITH SCHEDULE 9 SECTION 178 PARA 3(1) OF THE NATIONAL HEALTH SERVICE (WALES) ACT 2006 (C.42) AND WITH THE APPROVAL OF TREASURY

LOCAL HEALTH BOARDS

1. Welsh Ministers direct that an account shall be prepared for the financial year ended 31 March 2011 and subsequent financial years in respect of the Local Health Boards (LHB)1, in the form specified in paragraphs [2] to [7] below.

BASIS OF PREPARATION

2. The account of the LHB shall comply with:

(a) the accounting guidance of the Government Financial Reporting Manual (FReM), which is in force for the financial year in which the accounts are being prepared, and has been applied by the Welsh Government and detailed in the NHS Wales LHB Manual for Accounts;

(b) any other specific guidance or disclosures required by the Welsh Government.

FORM AND CONTENT

3. The account of the LHB for the year ended 31 March 2011 and subsequent years shall comprise a statement of comprehensive net expenditure, a statement of financial position, a statement of cash flows and a statement of changes in taxpayers' equity as long as these statements are required by the FReM and applied by the Welsh Assembly Government, including such notes as are necessary to ensure a proper understanding of the accounts.

4. For the financial year ended 31 March 2011 and subsequent years, the account of the LHB shall give a true and fair view of the state of affairs as at the end of the financial year and the operating costs, changes in taxpayers' equity and cash flows during the year.

5. The account shall be signed and dated by the Chief Executive of the LHB.

MISCELLANEOUS

6. The direction shall be reproduced as an appendix to the published accounts.

7. The notes to the accounts shall, inter alia, include details of the accounting policies adopted.

Signed by the authority of Welsh Ministers

Signed : Chris Hurst Dated :

1. Please see regulation 3 of the 2009 No.1559 (W.154); NATIONAL HEALTH SERVICE, WALES; The Local Health Boards (Transfer of Staff, Property, Rights and Liabilities) (Wales) Order 2009.

GIG CYMRU NHS WALES
Bwrdd Iechyd Prifysgol
Hywel Dda
University Health Board

Hywel Dda UHB

Annual Accounts 2024/25

Cyfrifon Blynyddol 2024/25

Content

1 Performance against Financial Targets

2 Changes to the Accounts - from Draft to Audited

3 Next Steps

Performance against Financial Targets

Annual Accounts: Note 2.1 (Page 27)

1. Revenue Resource Performance (Statutory)

From 1 April 2014, the Health Board is required to ensure that expenditure does not exceed the aggregate of the funding allotted to it over a period of 3 financial years.

Target Not achieved in 2024/25

The Health Board received £24m strategic cash only support in 2024/25 (£66m in 2023/24).

	Year 1 2022/23 £'000	Year 2 2023/24 £'000	Year 3 2024/25 £'000	Total £'000
Revenue Resource Allocation	1,098,379	1,200,554	1,332,462	**3,631,395**
Total Operating Expenses	1,157,423	1,266,369	1,356,601	**3,780,393**
Under / (Over) spend against Allocation	(59,044)	(65,815)	(24,139)	**(148,998)**

Performance against Financial Targets

Annual Accounts: Note 2.2 (Page 27)

2. Capital Resource Performance (Statutory)

From 1 April 2014, the Health Board is required to ensure that expenditure does not exceed the aggregate of the funding allotted to it over a period of 3 financial years.

Target achieved in 2024/25

	Year 1 2022/23 £'000	Year 2 2023/24 £'000	Year 3 2024/25 £'000	Total £'000
Capital Resource Allocation	33,653	46,919	42,725	**123,297**
Charge against Capital Allocation	33,584	46,886	42,639	**123,109**
Under / (Over) spend against Allocation	69	33	86	**188**

Performance against Financial Targets

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

Annual Accounts: Note 2.3 (Page 28)

3. Duty to prepare a 3 Year Plan (Statutory)

The NHS Wales Planning Framework for the period 2024-2027 issued to LHBs placed a requirement upon them to prepare and submit Integrated Medium-Term Plans to the Welsh Government. The LHB did not submit an Integrated Medium-Term Plan for the period 2024-2027 in accordance with NHS Wales Planning Framework.

The LHB had been unable to produce a financially balanced plan for 2023-24 and this contributed to the escalation status of the Health Board being raised to entire organisation Targeted Intervention on the Welsh Government Joint Escalation and Intervention Arrangements in January 2024. Following agreement at the January 2024 Board meeting, HDdUHB wrote to the Welsh Government in February 2024 to provide formal notification through an accountability letter that unfortunately the Health Board would again not be able to submit a financially balanced IMTP by the end of March 2024 and instead would produce an Annual Plan for 2024-25.

The Annual Plan set out the key objectives and deliverables for the next 12 months and laid the foundations for further progress beyond that in achieving the Board's aim to firstly reverse the deteriorating trajectory of our financial position and secondly agree a clear and deliverable route map to the organisation's control total. In addition, whilst progress had been made in several areas, the Health Board continued to have significant performance issues that our plan simultaneously needed to address.

The LHB was allocated additional funding by Welsh Government (WG) in year. WG also set a revised Target Control Total of £31.55m. The Health Board has achieved the revised control total with a yearend deficit of £24.1m (subject to audit).

Having placed the entire Health Board in 'targeted intervention' in January 2024, WG has de-escalated three areas to enhanced monitoring due to the progress seen. The three de-escalated areas are Child and Adolescent Health and Mental Health (CAHMS), Planned Care, and Leadership and Governance. While this is a positive step forward, it is acknowledged that pressures remain across the organisation.

Target Not achieved in 2024/25

Performance against Financial Targets

Annual Accounts: Note 2.4 (Page 28)

4. Creditor Payment

The Welsh Government requires that Health Boards pay their trade creditors in accordance with the **CBI Prompt Payment Code (PSPP)** and Government Accounting rules. The financial target is to pay 95% of these non-NHS invoices (number, not financial value) within 30 days of delivery. This service is provided to all Health Boards by NWSSP Accounts Payable Services

Target achieved in 2024/25

Non-NHS Invoices	2024/25	2023/24
Total number of Invoices Paid	236,022	274,883
Total number paid within Target	228,149	263,334
% of Invoices Paid within Target	**96.7%**	**95.8%**

Key movement

Changes from draft accounts presented 8 May 2025

As outlined in ISA 260

- Narrative disclosure amendments only

Next steps

Next Steps

- Audit and Risk Assurance Committee is asked to approve the ISA260 and Audited Accounts
- Final Annual Accounts to be presented to Board on 26 June 2025
- Auditor General proposed sign off 27 June 2025
- Final Annual Accounts to WG by 30 June 2025

8.3

12:45, 15 Mins

8.3 - HDdUHB Annual Report 2024/25

Philip Kloer (Hywel Dda UHB - Chief Executive)

For approval

Attachments

8.3 SBAR Draft Annual Report ARAC June 2025.pdf

8.3 Appendix 1a - Performance Report Changes Form.pdf

8.3 Appendix 1b - Accountability Report Changes Form.pdf

8.3 Appendix 2 - FINAL-ANNUAL-REPORT-AND-ACCOUNTS-2024-2025.pdf

PWYLLGOR ARCHWILIO A SICRWYDD RISG
AUDIT AND RISK ASSURANCE COMMITTEE

DYDDIAD Y CYFARFOD: **DATE OF MEETING:**	24 June 2025
TEITL YR ADRODDIAD: **TITLE OF REPORT:**	Hywel Dda University Health Board Annual Report 2024/25
CYFARWYDDWR ARWEINIOL: **LEAD DIRECTOR:**	Professor Phil Kloer, Chief Executive
SWYDDOG ADRODD: **REPORTING OFFICER:**	Huw Thomas, Director of Finance Joanne Wilson, Director of Corporate Governance/Board Secretary

Pwrpas yr Adroddiad (dewiswch fel yn addas) **Purpose of the Report** (select as appropriate)
Ar Gyfer Penderfyniad/For Decision

ADRODDIAD SCAA
SBAR REPORT

Sefyllfa / Situation

The Audit and Risk Assurance Committee is required to approve the individual components of the Hywel Dda University Health Board (HDdUHB) Annual Report 2024/25, prior to its approval by Board on 26 June 2025, ensuring that it reflects, in line with guidance in the NHS Wales Manual for Accounts 2024/25, an analysis of the main business, performance and accountabilities, key achievements and successes of the organisation between April 2024 and March 2025.

The Draft Performance Report Overview, Accountability Report (including the Governance Statement), and Draft Remuneration Report were submitted to Welsh Government, Audit Wales and Internal Audit by 9 May 2025, for review. A record of feedback received on both the Performance Report and Accountability Report is attached at Appendix 1a & b, with amendments being incorporated into the final version, at Appendix 2, which is now being presented.

Cefndir / Background

NHS bodies are required to publish, as a single document, a three-part annual report and accounts which includes:

a. The Performance Report, which must include:
- An overview

b. The **Accountability Report**, which must include:
- A Corporate Governance Report
- A Remuneration and Staff Report
- A Senedd Cymru/Welsh Parliamentary Accountability and Audit Report.

c. The Financial Statements

Guidance on how to complete and display these reports has been issued by Welsh Government in Chapter 3 of the Manual for Accounts, in accordance with HM Treasury reporting requirements as stipulated in the HM Treasury Financial Reporting Manual (FReM).

Asesiad / Assessment

The end of year reporting timelines for NHS Wales bodies are as follows:

- Draft accounts to be submitted by 2 May 2025 – completed on time.
- Draft Performance Report Overview, Accountability Report (including the Governance Statement), and Draft Remuneration Report to be submitted by 9 May 2025 – completed on time.
- Final Annual Report (Performance Report Overview, Accountability Report and Remuneration Report) and Annual Accounts to be submitted by Audit Wales to Welsh Government by 30 June 2025, as a single unified PDF document – to be approved by ARAC and Board on 24 and 26 June 2025 respectively.
- A public meeting must be held no later than 30 September 2025, at which the Annual Report and audited accounts are presented – AGM to be held on 25 September 2025. There has been a temporary amendment of Standing Orders agreed by Welsh Government for 2025.

Each of the components of the Annual Report were reviewed and agreed by Board Committees, as follows:

- Performance Report 2024/25 – the Chair, Chief Executive, Executive Directors and Chairs of the Finance and Performance Committee (FPC), the outgoing Strategic Development and Operational Delivery Committee (SDODC) and the Quality, Safety and Experience Committee (QSEC) received the final draft of the Performance Report for review on 23 April 2025. The Draft Performance Report was reviewed by ARAC on 8 May 2025, prior to submission to auditors. Feedback received has been addressed and the final documentation presented for approval at ARAC on 24 June 2025.
- Accountability Report for 2024/25 – the Chair and Chief Executive received the final draft of the Accountability Report for review on 9 April 2024. The Draft Accountability Report was reviewed at ARAC on 8 May 2025, prior to submission to auditors and Welsh Government. Feedback received has been addressed and the final documentation presented for approval at ARAC on 24 June 2025.
- Audited Annual Accounts – Draft Accounts were submitted to Welsh Government on 2 May 2025, prior to review by ARAC on 8 May 2025. The Accounts have been scrutinised by Audit Wales in readiness for approval at ARAC on 24 June 2025.

The HDdUHB Annual Report 2024/25 (which includes the Performance Report, Accountability Report and Financial Statements (Accounts)) are required to be submitted to Welsh Government by 30 June 2025, and presented at the planned Annual General Meeting on 25 September 2025.

Argymhelliad / Recommendation

The Audit and Risk Assurance Committee is requested to provide assurance to the Board that a robust governance process was enacted during the year, and to recommend the approval of the HDdUHB Annual Report 2024/25 to the Board, prior to its submission to the Welsh Government, via Audit Wales, by 30 June 2025, and its subsequent presentation at the Annual General Meeting on 25 September 2025.

Amcanion: (rhaid cwblhau) Objectives: (must be completed)	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	3.2.1 All risk and control related disclosure statements (in particular the Accountability Report and the Performance Report), together with any accompanying Head of Internal Audit statement, external audit opinion or other appropriate independent assurances, prior to endorsement by the Board.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not applicable
Parthau Ansawdd: Domains of Quality Quality and Engagement Act (sharepoint.com)	Not Applicable
Galluogwyr Ansawdd: Enablers of Quality: Quality and Engagement Act (sharepoint.com)	Not Applicable
Amcanion Strategol y BIP: UHB Strategic Objectives:	Not Applicable
Amcanion Cynllunio Planning Objectives	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2021-2022	10. Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	NHS Wales 2024/25 Manual for Accounts
Rhestr Termau: Glossary of Terms:	Included in Report
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Archwilio a Sicrwydd Risg Parties / Committees consulted prior to Audit and Risk Assurance Committee:	ARAC – Audit & Risk Assurance Committee QSEC – Quality, Safety & Experience Committee Chair Chief Executive

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: **Financial / Service:**	Not applicable

Ansawdd / Gofal Claf: **Quality / Patient Care:**	Not applicable
Gweithlu: **Workforce:**	Not applicable
Risg: **Risk:**	Associated risk is non-compliance due to unforeseen circumstances and tight deadlines. The process has been actively managed to minimise risks.
Cyfreithiol: **Legal:**	Associated legal impact is non-compliance with statutory duty to produce Annual Report and Accounts in time for the Annual General Meeting due to unforeseen circumstances and tight deadlines. The process is being actively managed to minimise risks.
Enw Da: **Reputational:**	Potential for media interest once the Annual Report is published.
Gyfrinachedd: **Privacy:**	Not applicable – statutory requirement.
Cydraddoldeb: **Equality:**	Not applicable – statutory requirement.

Table of changes for Performance Report from 08.05.25 to date (Submission to ARAC (Audit and Risk Assurance Committee), WG (Welsh Government), AW (Audit Wales) and IA):

The references below relate to the English content (starting at page 56) and have been reflected in the Welsh content.

Date	From	Page/Section No. (Final Report):	Changes	Action and Date amended
30.04.25	Mandi Chesterman	4.3.4 Mental Health / page XX	• Updated with March data	04.06.25
30.04.25	Mandi Chesterman	4.3.5 Neuro-developmental	• Updated with March data	04.06.25
08.05.25	ARAC	Cover page	• Change of image	14.05.25
08.05.25	Mandi Chesterman	4.3.8 / page XX	• Updated with End of financial year position	14.05.25
04.06.25	Fiona Hancock	Throughout	• Insertion and formatting of hyperlinks	04.06.25
04.06.25	Audit Wales	Overall	• Not signed and dated by accountable officer. • Tables/figures/links missing as per notes/highlighting remaining in the document. • Contents table needs updating.	To be completed Updated 04.06.25 Updated 04.06.25
04.06.25	Audit Wales	3.3.4 / page XX	• Typographical correction "…and received 1,072 responses."	04.06.25
04.06.25	Audit Wales	3.3.7 / page XX	• Expand 'SOSPAN' acronym • Typographical correction, removal of symbol '+'	04.06.25
04.06.25	Audit Wales	Section 4 / page XX	The following not explicity stated: • confirm any areas which need improvement and actions planned. • and explanation of the adoption of the going concern basis, and where this might be called into doubt.	Amended 04.06.25
04.06.25	Mandi Chesterman	4.3.2 / page XX	• Updated with March data	Amended 04.06.25
04.06.25	Audit Wales	4.3.3 / page XX	• Addition of missing ')' in sub heading	Amended 04.06.25
04.06.25	Audit Wales	4.3.3 / page XX	• Addition of missing '%' in ophthalmology paragraph	Amended 04.06.25
04.06.25	Audit Wales	4.3.3 / page XX	• Correction to word 'to' in therapies paragraph	Amended 04.06.25

Appendix 1a

Date	From	Page/Section No. (Final Report):	Changes	Action and Date amended
04.06.25	Audit Wales	Section 5 / page XX	• Reflect that there were originally 44 bodies but now the Act covers 56 bodies.	Amended 04.06.25
04.06.25	Audit Wales	Section 5 / page XX	• Removed '2024/25'	Amended 04.06.25
04.06.25	Audit Wales	Section 6 / page XX	• Mixture of upper/lower case	Amended 04.06.25
04.06.25	Audit Wales	Section 7 / page XX	• Expand 'TET' acronym	Amended 04.06.25
04.06.25	Audit Wales	Section 8.5 / page XX	• Replace 'and' with a comma	Amended 04.06.25
04.06.25	Audit Wales	8.10.2 / page XX	• Removal of apostrophe	04.06.25
04.06.25	Audit Wales	9.2 / page XX	Request to explicitly state: • "compliance statement presented at the start of the TCFD related disclosures which details: 1. which recommendations and recommended disclosures have been complied with and which have not, 2. for those which have not, a short summary of the reason for non-compliance, and any plans for future disclosure"	Amended 04.06.25
04.06.25	Audit Wales	9.2.7 / page XX	Formatting change (table alignment)	Amended 04.06.25
04.06.25	Audit Wales	Section 10 / page XX	Correction to 'Well-being of Future Generations Act' title	Amended 04.06.25
09.06.25	Sharon Hughes	Sustainability Report / page XX	Addition of Biodiversity Duty Compliance Statement	Added 10.06.25
13.06.25	Fiona Hancock	Throughout	Formatting, numbering, hyperlink checks and corrections.	13.06.25 / 16.06.25

Table of changes for Accountability Report from 9 May 2025 (Following submission of draft Accountability Report to WG, AW and IA)

Date	From	Page No (Final Report):	Comments Received	Action taken
13/05/25	Anna Lewis	79	Operational Governance Directorate arrangements There is mention of transformative change in the operational governance structure however perhaps a more accurate adjective at this stage would be 'substantial' or something similar that speaks to the scale of it but does not yet commit to its as-yet-unknown impact.	Paragraph amended as follows: 'The implementation of clinical care groups represents a ~~transformative~~ **substantial** change in our operational structure, designed to enhance governance, improve performance, and deliver better outcomes for patients'.
13/05/25	Anna Lewis	80	Board development To acknowledge the work there is to do around EDI on the Board. There are 2 things we could mention - first, the commissioning of the EDI task force by the Board, which will include direct involvement from the Board as it moves forward. And second, engagement in HEIW's national programme for aspiring IMs from racially minoritised communities which starts shortly (but as the planning started in 2024/25 it's legitimate to include in last year's report).	The following bullets have been added to the paragraph related to 'broader talent management and succession approaches for longer term Board membership, as follows: • **the Board has commissioned an Equality, Diversity and Inclusivity Task Force to undertake a broader review of the Health Board's equality, diversity and inclusion actions which will include direct involvement from the Board** • **early engagement in HEIW's national programme for aspiring Independent Members from racially minoritised communities to strengthen diversity on the Board**
13/05/25	Anna Lewis	106/107	Equality, diversity, and inclusion EDI highlights section - this is another opportunity to acknowledge the issue and highlight the 2 developments above.	The following bullets have been added to the list of highlights: ○ **As mentioned earlier in section 11.5.12 Board development, the Health Board has established an independent member-led**

				equality, diversity and inclusion taskforce to drive a set of actions to improve equity across the Health Board. ○ **To strengthen diversity on the Board, we have engaged in HEIW's national programme for aspiring Independent Members from racially minoritised communities to strengthen diversity on the Board.**
13/05/25	Anna Lewis	118	<u>Appendix 1</u> Finally, Board attendance is marked as 6/8. Please can that be checked?	No change - Apologies were tendered for the main Board meeting on 25 July 2024 and the extraordinary end of year Board on 11 July 2024.
14/05/25	John Evans	108	<u>Data security</u> Do you know when the result of the ICO investigations are likely to be issued.	The following sentence has been added in response '**All 4 incidents have been closed by the ICO**'.
14/05/25	John Evans	108	<u>Quality of Data</u> Minor typo 'tear' should be 'year'	Corrected to **year**
14/05/25	John Evans	109/110	<u>Review of effectiveness</u> You mention the areas of internal control where there are areas for improvement and include a list of16 items, could you include any specific action or plan to support the list	This purpose of this paragraph is to provide a general list of sources of assurance that enables the Health Board to gain assurance on how effective its system of internal control is. The following sentence has been added as follows: '**Action plans are developed and reported through our Board Committee structure to provide assurance that action is taken to address any identified areas of improvement and/or gaps in control.'**
14/05/25	John Evans	117	Conclusion – I realise there will be some extra content to include. Could you also include an explicit statement	Completed – the following paragraph has been included 'In summary, my review confirms that the Board has sound systems of internal control in

			confirming that no significant control issues other than those mentioned in the report.	place to support the delivery of policy aims and our corporate objectives and that there are no significant internal control or governance issues to report for 2024-25, other than those reflected throughout this report'.
22/05/25	Urvisha Perez	65	<u>Standing Orders</u> Amend sentence 'All variations to our Standing Orders are reported the Audit and Risk Assurance Committee (ARAC). During 2024-25, there was one variation to the Standing Orders'	Corrected to 'All variations to our Standing Orders are reported **to** the Audit and Risk Assurance Committee (ARAC). During 2024-25, there was one variation to the Standing Orders'
22/05/25	Urvisha Perez	68	<u>The Board</u> Expand acronyms 'WGH', BGH' and 'PBC' when first used Change sentence from 'Regular items throughout the year to the Board included those listed above, as well as the following:'	Amended to ○ **Withybush General Hospital (WGH)** Fire Works business justification case ○ **Bronglais General Hospital (BGH)** Fire Works PBC ○ Updates on implementing the Healthier Mid and West Wales Strategy, including **Programme Business Case (PBC)** and land identification plan/consultation. *Amended to 'As well as the items above, the Board also received the following routine/regular items".*
22/05/25	Urvisha Perez	70	<u>Board Committees</u> Change tense of paragraph and bullets relating to the implementation of the new Board Committee structure from 1 April 2025	The following paragraphs have been amended: 'Following a review by the Chair and incorporating feedback from the Committee Self-Assessment process, in January 2025**,** the Board approved revised Board committee governance arrangements which ~~will be~~ **were** implemented **on** ~~from~~ 1 April 2025. The changes were detailed in the Revised-committee-arrangements report to Board and summarised as follows:

				• The disestablishment of SRC and SDODC from 31 March 2025 • The establishment of a Finance and Performance Committee which ~~will~~ **has a** focus on financial and operational delivery • The establishment of a Strategy and Planning Committee which ~~will~~ **has a** focus on planning and strategic development • The establishment of a new Digital, Data and Innovation Committee which **has a** focus~~sing~~ on digital transformation, data quality, and research and innovation'
22/05/25	Urvisha Perez	73	<u>Mid Wales Joint Health and Social Care Committee</u> Remove 'are' from the sentence 'The priority areas focus <u>are</u> on a whole pathway approach with regional links between primary, secondary, community and social care which support the Welsh Government's expectation for Mid Wales organisations to work together to plan and deliver regional solutions across organisational boundaries.' Correct errors in bold – 'The Committee met twice during **2024/5** (April and October). Updates were received on: o Mid Wales Joint Committee's Priorities and Delivery Plan **2024/25'**	Word 'are' deleted Corrected to 2024-25.
22/05/25	Urvisha Perez	75	<u>Hywel Dda public service boards</u> Amend 'in' to 'is' **– '**The PSB Annual Report **in** being drafted and due to be presented in June 2025'.	Corrected to 'The PSB Annual Report **is** being drafted and due to be presented in June 2025'.
22/05/25	Urvisha Perez	77	<u>West Wales Regional Partnership Board</u> Amend ',' to 'and' to 'The first 'Regional Footprint' meeting with the Cabinet Secretary**,** Welsh Government was held on 9 October 2024,…'	Corrected to 'The first 'Regional Footprint' meeting with the Cabinet Secretary **and** Welsh Government was held on 9 October 2024,…'

22/05/25	Urvisha Perez	79	Formal Executive Team Amend the following paragraph to flow better 'The Executive Team was established as the body within the Health Board that develops and endorses, prior to Board consideration, the formulation of plans, policies and strategies. It also oversees operational management and performance ensuring the organisation develops population services, builds commissioning capabilities, **delivery and plans** to develop the organisational system, ensuring robust performance management arrangements are in place'.	Corrected to 'The Formal Executive Team has been established as the body within the Health Board that endorses, prior to Board consideration, the formulation of plans, policies and strategies. It will also oversee operational management ensuring the organisation develops population services, builds commissioning capabilities to deliver plans to develop the organisational system, ensuring robust quality, safety, financial and performance management arrangements are in place.'
22/05/25	Urvisha Perez	79	<u>Integrated Quality, Financial Performance Delivery (IQFPD) Group</u> Amend sentence 'Terms of reference were constructed in April 2024 along similar lines to those of Welsh Government's Integrated Quality Planning Delivery Group, **outlined** its responsibilities'	Corrected to 'Terms of reference were constructed in April 2024 along similar lines to those of Welsh Government's Integrated Quality Planning Delivery Group, **outlining** its responsibilities'
22/05/25	Urvisha Perez	80	<u>Board development</u> Amend sentence 'In addition, the Chair and Chief Executive will commence a 12-month 'Two at the Top' programme in March 2025'.	Corrected to 'In addition, the Chair and Chief Executive **commenced** a 12-month 'Two at the Top' programme in March 2025'.
22/05/25	Urvisha Perez	81	<u>Effectiveness of the Board and committees</u> Expand abbreviation for '**IA** reports received throughout 2024-25' Add in missing word to sentence 'The new maturity matrix describes 10 key elements of good governance for NHS organisations which is aligned NHS Wales requirements and expectations.'	Corrected to '**Internal Audit** reports received throughout 2024-25' Corrected to 'The new maturity matrix describes 10 key elements of good governance for NHS organisations which is aligned **to** NHS Wales requirements and expectations.'
22/05/25	Urvisha Perez	84	<u>Risk management framework</u> Remove duplicate paragraph 'We undertook our annual risk maturity self-assessment in 2024-25 in accordance with the Orange Book, which is a recognised risk	Removed

			management standard for the public sector and undertaken by the Health Board on an annual basis.' Add in missing word to sentence 'In 2024-25, the Health Board's new internal escalation framework improved risk management by focusing on how directorates manage risks in terms of scale, significance, timeliness, and quality. Risk reviews improved over the year, and only 11% risks were reported to need a review at the end of the year.'	Corrected to 'In 2024-25, the Health Board's new internal escalation framework improved risk management by focusing on how directorates manage risks in terms of scale, significance, timeliness, and quality. Risk reviews improved over the year, and only 11% **of** risks were reported to need a review at the end of the year.'
22/05/25	Urvisha Perez	87	Oversight and reporting of risk Amend sentence 'Corporate and operational risks that are above the Health Board's current agreed tolerance level, are aligned to the its committees,…'	Corrected to 'Corporate and operational risks that are above the Health Board's current agreed tolerance level, are aligned to ~~the~~ its committees,…'
22/05/25	Urvisha Perez	87	Risk Profile Add in missing word to sentence 'We are facing increasing system pressures, through an over reliance on hospital services is compounded by an ageing population and a rise in long-term conditions.'	Corrected to 'We are facing increasing system pressures, through an over reliance on hospital services **which** is compounded by an ageing population and a rise in long-term conditions.'
22/05/25	Urvisha Perez	109	Ministerial directions Check use of instruments in following sentence 'The Welsh Government has issued a number of **non-statutory instruments** during 2024-25.'	Amended to 'The Welsh Government has issued a number of **ministerial directions** during 2024-25.'
22/05/25	Urvisha Perez	113	Discharge management follow-up Amend sentence '**To** high priority recommendations were raised relating to incomplete and inaccurate information.'	Corrected to '**Two** high priority recommendations were raised relating to incomplete and inaccurate information.'
22/05/25	Urvisha Perez	115/116	Audit Wales structured assessment Amend sentence 'The overall assessment concluded that "the Health Board's corporate arrangements continue to operate effectively, despite a period of significant	Corrected to 'The overall assessment concluded that "the Health Board's corporate arrangements continue to operate effectively, despite a period of

			change, with a small number of areas that **could further improve.'** Amend bullet 'Review of Operational Governance Arrangements across Service Directorates'	significant change, with a small number of areas that **could be further improved**.' Corrected to 'Review of Operational Governance Arrangements'
22/05/25	Urvisha Perez	116	<u>Conclusion</u> Amend sentence 'It was pleasing to note the Audit Wales's recognition that, despite our significant performance and financial challenges, our corporate arrangements are generally effective, notwithstanding the three recommendations issued this year relating to: ○ Improving Together Framework ○ Quality Improvement Strategic Framework ○ Well-being objectives and strategy refresh.'	Corrected to 'It was pleasing to note the Audit Wales's recognition that, despite our significant performance and financial challenges, our corporate arrangements are generally effective, notwithstanding the three recommendations issued this year relating to **the**: ○ Improving Together Framework ○ Quality Improvement Strategic Framework ○ Well-being objectives and strategy refresh.'
22/05/25	Urvisha Perez	124	<u>Appendix 1 - Audit and Risk Assurance Committee (ARAC)</u> Remove report from list as outside of reporting period	Removed 'follow up review of primary care.'
22/05/25	Urvisha Perez	152	<u>Staff policies</u> Amend sentence 'The operational workforce team the review of our local employment policies on a three-yearly cycle.'	Corrected to 'The operational workforce team ~~the~~ review of our local employment policies on a three-yearly cycle.'
22/05/25	Urvisha Perez	N/A	<u>Formatting</u> • document uses both 24/25 and 24-25, might be best to just use one format. • Consistent use of 'the board' or 'the Board'	• Changed to 2024-25 throughout report • Use of 'the Board' throughout
02/06/25	James John	111-115	Head of Internal Audit Opinion • Add in HOIA for 2024-25 • Finalise the paragraph starting 'in reaching this opinion…' • Add in Summary of Audits • Add in summary of outstanding limited assurance audits • Add in Deferred Audits	Added relevant sections

		116-117	Conclusion has been updated as follows: Paragraph 'The Health Board received xx Internal Audit reports with a limited assurance rating during 2024-25. This has resulted in the Head of Internal Audit issuing a xxxxxx assurance rating. Robust action plans have been agreed to address the recommended areas of improvement, with follow-up reviews to ensure appropriate action is taken'. Last paragraph 'Based on the above, I have therefore, concluded, that Hywel Dda University Health Board has: ○ improvements to make to its system of internal control to enable it to identify and prioritise the risks to the achievement of the policies, aims and objectives ○ to evaluate the likelihood of those risks being realised and the impact should they be realised, and ○ to manage them efficiently, effectively, and economically'	Updated to 'The Health Board received 30 Internal Audit reports with a limited assurance rating during 2024-25. This has resulted in the Head of Internal Audit issuing a reasonable assurance rating. Robust action plans have been agreed to address the recommended areas of improvement, with follow-up reviews to ensure appropriate action is taken.' Updated to 'In summary, my review confirms that the Board has sound systems of internal control in place to support the delivery of policy aims and our corporate objectives and that there are no significant internal control or governance issues to report for 2024-25, other than those reflected throughout this report.'

GIG CYMRU NHS WALES
Bwrdd Iechyd Prifysgol
Hywel Dda
University Health Board

2024/2025

Adroddiad Blynyddol

Bwrdd Iechyd Prifysgol Hywel Dda

biphdd.gig.cymru

Go to
page 58
for English

Cipolwg

Mae ein Hadroddiad Blynyddol yn esbonio'r hyn yr ydym ni, y Bwrdd Iechyd, yn ei wneud, y gofal yr ydym yn ei ddarparu, a'r modd yr ydym yn cynllunio, yn cyflawni ac yn gwella eich gwasanaethau gofal iechyd lleol.

Mae'n disgrifio ein cyflawniadau a'n heriau trwy gydol 2024-25 ar draws ystod eang o feysydd:

Amdanom ni	Ein perfformiad	Llywodraethu yr hyn a wnawn	Rheoli ein hadnoddau	Edrych i'r dyfodol

Cysylltu â ni

Mae'r cyhoeddiadau, mewn print neu fformatau/ieithoedd amgen, ar gael ar gais trwy gysylltu â ni:

Ysgrifennwch atom: Bwrdd Iechyd Prifysgol Hywel Dda, Adeilad Ystwyth, Hafan Derwen, Parc Dewi Sant, Heol Ffynnon Job, Caerfyrddin, SA31 3BB

Ffoniwch ni: 01267 239554 / 07464 523370

Dewch o hyd i ni yma: https://biphdd.gig.cymru/

Dilynwch ni:

Facebook: HywelDdaHealthBoard
Instagram: HywelDdaUHB
LinkedIn: hywel-dda-university-health-board
X (Twitter): @HyweldduHB
YouTube: hywelddahealthboard1

Mae Bwrdd Iechyd Prifysgol Hywel Dda yn Fwrdd Iechyd Lleol a sefydlwyd o dan adran 11 o Ddeddf Gwasanaeth Iechyd Gwladol (Cymru) 2006.

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1. Rhagair

Croeso i'n Hadroddiad Blynyddol ar gyfer 2024-2025. Mae adroddiad eleni yn myfyrio ar y flwyddyn ddiwethaf o ran ein perfformiad, yr heriau yr ydym wedi'u hwynebu, ein cyflawniadau, a'r cynnydd da yr ydym wedi'i wneud.

Yn gyntaf, hoffem fynegi ein gwerthfawrogiad diffuant i'n holl staff, gwirfoddolwyr, partneriaid a chymunedau am ein helpu ni trwy'r hyn sydd wedi bod yn flwyddyn anodd arall i bawb. Gyda'n gilydd, rydym wedi gweithio'n galed i fynd i'r afael â'r pwysau sydd arnom o ran cyllid a staffio, a'r galw parhaus am ein gwasanaethau, yn enwedig ym maes gofal brys a gofal mewn argyfwng, a hynny oll wrth i ni barhau i ddarparu'r gwasanaethau gofal iechyd gorau posibl i'n poblogaeth leol.

Hoffem ddiolch yn arbennig i'n cleifion am eich amynedd yn ystod cyfnodau pan fu i'r pwysau ar ein systemau effeithio'n uniongyrchol arnoch. Gwyddom fod nifer ohonoch wedi aros yn rhy hir am eich gofal ac mae'n ddrwg iawn gennym am hyn. Hoffem eich sicrhau ein bod yn gwneud popeth o fewn ein gallu i wella hyn cyn gynted â phosibl.

Er gwaethaf yr heriau hyn, rydym wedi gwella mewn rhai meysydd, megis lleihau rhai amseroedd aros, recriwtio rhagor o nyrsys, a pharhau â'n rhaglen frechu gymunedol. Rydym hefyd wedi cael cymorth gan Lywodraeth Cymru sydd wedi ein helpu i ddelio â rhai o'r materion hyn, ac wedi croesawu'r cymorth hwnnw.

Rydym yn parhau i symud ymlaen â'n cynlluniau i adeiladu system iechyd gryfach, gan addasu'r cynlluniau hyn pan fo angen. Mae hyn yn cynnwys penderfynu diweddaru ein strategaeth ‘Canolbarth a Gorllewin Cymru Iachach’ ar gyfer yr amgylchedd presennol, sydd wedi newid ers i ni ei chreu chwe blynedd yn ôl. Rydym eisoes wedi gwneud cynnydd tuag at ein strategaeth, er enghraifft, cefnogi mwy o gleifion yn y gymuned, recriwtio rhagor o nyrsys, defnyddio llai o staff asiantaeth, llwyddo i ddod â rhai gwasanaethau ynghyd, a lleihau nifer y cleifion sy'n aros yn yr ysbyty am amser hir. Fodd bynnag, mae heriau'n dal i fodoli, ac wedi gwaethygu mewn rhai meysydd.

O gofio hyn, ac o wybod bod yna o leiaf ddeng mlynedd cyn i gynlluniau ar gyfer ysbyty gofal brys a gofal mewn argyfwng newydd gael eu gwireddu (a hynny'n dibynnu ar gymeradwyo cyllid), mae angen i ni gefnogi gwasanaethau sy'n fregus ar hyn o bryd. Rydym eisoes wedi dechrau ar y gwaith hwn trwy ein Cynllun Gwasanaethau Clinigol.

Gydol yr adroddiad blynyddol hwn, gallwch ddarllen am ein perfformiad ar draws amrywiaeth o feysydd mwn mwy o fanylder, gan gynnwys gofal brys a gofal mewn argyfwng, canser, gofal wedi'i gynllunio, diagnosteg, therapïau, iechyd meddwl, niwroddatblygiadol, rheoli heintiau, profiad cleifion, y gweithlu, a'n sefyllfa ariannol. Rydym hefyd yn esbonio pa gynnydd yr ydym wedi'i wneud o ran bodloni gofynion Deddf Llesiant Cenedlaethau'r Dyfodol, y modd yr ydym yn datblygu ein diwylliant o ran y Gymraeg, a pha gamau yr ydym wedi'u cymryd i leihau carbon a chynnwys arferion cynaliadwy yn ein gweithgareddau o ddydd i ddydd.

Yn y cyfamser, mae rhai o'r newidiadau allweddol yr oedd angen i ni eu gwneud yn ystod 2024-25 yn cynnwys:

- cyflwyno newidiadau dros dro i sicrhau gofal diogel yn y gwasanaethau plant yn Ysbyty Bronglais ac yn yr Uned Mân Anafiadau yn Ysbyty'r Tywysog Philip;

- cyflwyno model gofal newydd yng ngogledd Ceredigion gan ddarparu gofal iechyd a chymorth ychwanegol yng nghartrefi pobl neu'n agos atynt;
- ymateb i newidiadau i gontractau'r Gwasanaethau Meddygol Cyffredinol mewn perthynas â Meddygfa Dewi Sant a Meddygfa Solfach (Penrhyn Solfach bellach), a lansio rhestr aros ganolog ar gyfer cleifion gofal deintyddol arferol.

Bu i ni wneud rhai gwelliannau hefyd, er enghraifft:

- ailagor ardaloedd yr oedd y gwaith atgyweirio concrit yn Ysbyty Llwynhelyg wedi effeithio arnynt;
- ymestyn oriau agor ein gwasanaeth Gofal Brys ar yr Un Diwrnod yn Aberteifi, dros dro o fis Ionawr i fis Mawrth, i helpu i leddfu'r pwysau ar adrannau brys ysbytai;
- cyflwyno Gwasanaeth Cyswllt Toresgyrn newydd ledled safleoedd ein hysbytai acíwt;
- mynd ati mewn modd rhagweithiol i ofalu am bobl sy'n byw ag eiddilwch, trwy ein Huned Eiddilwch Acíwt yn Ysbyty Llwynhelyg a Gwasanaethau Amlddisgyblaethol Mynediad Cyflym De Sir Gaerfyrddin yn Ysbyty'r Tywysog Philip;
- darparu dros 62,000 o ymgyngoriadau â chleifion yng Ngwasanaeth Anhwylderau Cyffredin ein Fferyllfeydd Cymunedol o gymharu â 43,000 y flwyddyn flaenorol, ynghyd â 25,700 o ymgyngoriadau yng Ngwasanaeth Presgripsiynu Annibynnol ein Fferyllfeydd, sef cynnydd o 12,000 o gymharu â 2023-24;
- gweithredu'r Porth Mynediad Deintyddol newydd, meithrin ymwybyddiaeth i bobl gofrestru eu diddordeb ar gyfer triniaeth ddeintyddol arferol y GIG, a darparu 14,491 o apwyntiadau deintyddol brys ledled Hywel Dda i sicrhau mynediad at ofal i gleifion sydd ag angen deintyddol brys;
- cynnal Asesiad Anghenion Iechyd Llygaid, fel sy'n ofynnol gan Lywodraeth Cymru, a fydd yn ein helpu i adolygu ein gwasanaethau iechyd llygaid ac yn sicrhau ein bod yn diwallu anghenion ein poblogaeth leol.
- gweithredu gwasanaethau optometreg ychwanegol yn y gymuned i gefnogi cleifion ag anghenion gofal llygaid meddygol yn ymwneud â'r retina a glawcoma, gan osgoi ymweliad â'r ysbyty;
- penodi nyrs arbenigol Anafiadau Acíwt i'r Arennau, y rôl gyntaf o'i bath yng Nghymru;
- cefnogi plant sy'n byw ag asthma trwy ein rhaglen yn ysgolion Sir Benfro;
- dechrau ein prosiect Gwyrddio'r Tir yn ysbyty'r Tywysog Philip ac ysbyty Glangwili;
- cefnogi iechyd a llesiant pobl trwy'r celfyddydau a chreadigrwydd, megis ein rhaglen Hwb Celfyddydol a'n Siarter Celfyddydau ac Iechyd, sef y cyntaf yng Nghymru; a
- rhagor o dimau a gwasanaethau yn cyflawni dyfarniadau Buddsoddwyr mewn Gofalwyr.

Bu i ni barhau i fanteisio ar gyfleoedd ymchwil a datblygu rhagorol, gan sicrhau nifer o grantiau cyllid. Eleni, gyda chymorth tîm cynyddol o ymchwilwyr sydd ag amser ymroddedig, rydym wedi dangos gwelliant cyson ym meysydd iechyd menywod, anhwylderau anadlol, anhwylderau metabolaidd, orthopedeg a gofal sylfaenolCafodd tri o'n clinigwyr (Alan Treharne, Gynaecolegydd Ymgynghorol, Dr Karen Brown, Arweinydd Clinigol ar gyfer Meddygaeth Acíwt, a Dr Paul Underwood, Meddyg Ymgynghorol) eu dewis ar gyfer Rhaglen Cymrodyr Comisiwn Bevan i arwain, gwneud gwaith ymchwil a gweithredu prosiectau arloesol i wella canlyniadau iechyd a llesiant pobl.

Mae cynnwys ein cymunedau yn y gwaith o lunio gwasanaethau gofal iechyd y dyfodol yn parhau i fod yn ffocws pwysig i ni. Yn ystod y flwyddyn, rydym wedi gwrando ar farn a syniadau pobl ynghylch gwasanaethau gofal sylfaenol a chymunedol yn y dyfodol, newidiadau i ofal cleifion

mewnol yn Ysbyty Tregaron, newidiadau dros dro i rai gwasanaethau plant yn Ysbyty Bronglais a'n Huned Mân Anafiadau yn Ysbyty'r Tywysog Philip, a gwasanaethau gofal iechyd arbenigol i bobl ag anableddau dysgu.

Mae ymroddiad, arloesedd a gwaith caled ein staff wedi cael eu cydnabod trwy gyfrwng nifer o wobrau lleol a chenedlaethol. Ymhlith yr enillwyr y mae fideo 'Walter the Penguin' ein Tîm Meddygaeth Niwclear i dawelu meddwl plant yn ei ofal; y fenter ar y cyd PROSTAD i fynd i'r afael â'r oedi wrth wneud diagnosis o ganser y prostad; a menter i wella'r modd y mae cleifion â nam ar y synhwyrau yn cael mynediad at wasanaethau gofal iechyd lleol, i enwi dim ond rhai.

At hynny, ein Tîm Diabetes Pediatrig oedd yr un a berfformiodd orau yng Nghymru yn ôl ffigurau'r Archwiliad Diabetes Pediatrig Cenedlaethol (Ionawr 2025); ni oedd y bwrdd iechyd cyntaf yng Nghymru i gyflawni statws 'Deall Awtistiaeth'; mae ein Gwasanaeth Ymwelwyr Iechyd wedi cadw ei achrediad UNICEF 'Cyfeillgar i Fabanod'; ac am y bedwaredd flwyddyn yn olynol, mae ein Gwasanaeth Maeth a Deieteg wedi cadw ei ddyfarniad sgriniwr maethol gorau, a chafodd un o'n clinigwyr, Trudy Smith, ei phenodi'n arweinydd arbenigedd cenedlaethol gan Ymchwil Iechyd a Gofal Cymru.

Bu yna rywfaint o gydnabyddiaeth Frenhinol i'w dathlu hefyd, gyda Carys Davies, Uwch-fydwraig ac Arweinydd Newyddenedigol yn Ysbyty Bronglais, yn ennill Medal yr Ymerodraeth Brydeinig (BEM) am wasanaethau i fydwreigiaeth yn Rhestr Anrhydeddau Pen-blwydd y Brenin, ac ymweliad gan Ei Huchelder Brenhinol y Dywysoges Frenhinol â'r gwaith sy'n mynd rhagddo i adeiladu uned gemotherapi newydd Ysbyty Bronglais.

Mae ein partneriaid o wahanol sectorau yn chwarae rhan hanfodol o ran ein helpu i ddarparu gwasanaethau iechyd a gofal i'n cymuned. Ym mis Mawrth 2025, bu i ni ymuno â phartneriaid i lofnodi Siarter y Model Cymdeithasol ar gyfer Iechyd a Llesiant lle rydym yn ymrwymo i adeiladu a chefnogi cymunedau iachach. Rydym yn gwerthfawrogi'r cydweithrediadau cadarn ac effeithiol hyn yn fawr ac yn croesawu'r cyfleoedd a ddaw yn eu sgil.

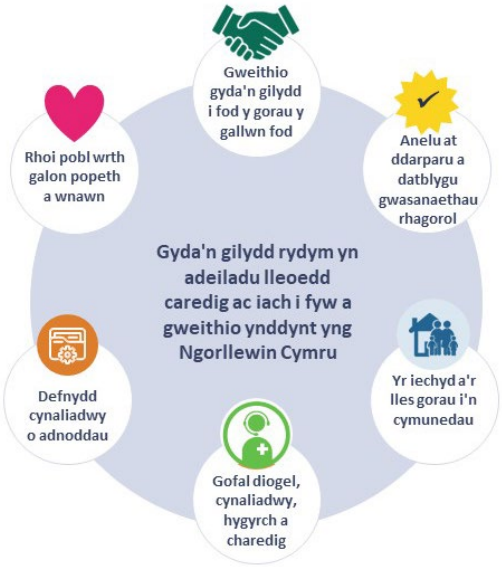
Rydym yn eithriadol o falch o bawb, ac yn ddiolchgar i chi, am bopeth a wnewch i'n helpu i ddarparu gofal iechyd diogel, cynaliadwy, hygyrch a charedig i bobl yn Sir Gaerfyrddin, Ceredigion a Sir Benfro.

Diolch i chi i gyd.

Dr Neil Wooding
Cadeirydd

Yr Athro Phil Kloer
Prif Weithredwr

2. Amdanom ni



2.1 Ein gweledigaeth

Rydym yn gweithio yn ein cymunedau i ddarparu cymorth a gofal mwy cydgysylltiedig mor agos at y cartref â phosibl.

Mae gan ein hysbytai hefyd rôl bwysig o ran darparu cymorth arbenigol o safon pan fo angen, ac rydym am wella gwasanaethau ysbyty fel eu bod yn darparu'r gofal mwyaf diogel ac o'r safon orau i chi, gyda gwell canlyniadau ar eich cyfer.

2.2 Ein Bwrdd

Rheolir y trefniadau llywodraethu ledled y sefydliad gan ein cyfarwyddwyr gweithredol ac aelodau annibynnol y bwrdd.

Mae ein Bwrdd yn cyfarfod yn gyhoeddus bob deufis ac yn cael ei gefnogi gan bwyllgorau a grwpiau cynghori. Eleni, bu yna sawl newid yn ein Bwrdd a'n Gweithrediaeth, newidiadau y manylir arnynt yn Adroddiad y Cyfarwyddwyr. I gael gwybodaeth am ein Bwrdd, ewch i'n gwefan: https://biphdd.gig.cymru/amdanom-ni/eich-bwrdd-iechyd/aelodaur-bwrdd/.

2.3 Ein strwythur

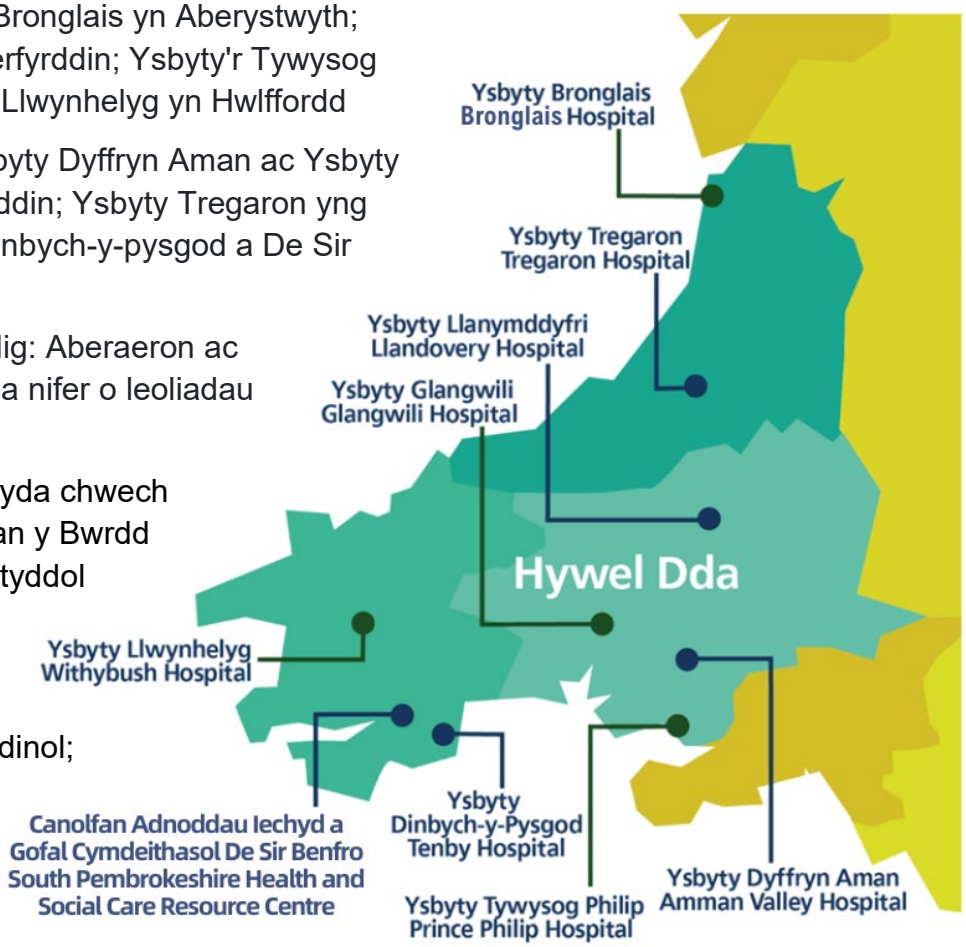
Rydym yn cynllunio ac yn darparu gwasanaethau gofal iechyd y GIG i bobl sy'n byw yn Sir Gaerfyrddin, Ceredigion, Sir Benfro, a'r siroedd cyfagos.

Gyda dros 13,000 o staff, rydym yn darparu gwasanaethau sylfaenol, cymunedol, acíwt (yn yr ysbyty), iechyd meddwl ac anableddau dysgu.

Rydym yn darparu gwasanaethau arbenigol a gomisiynir gan y Pwyllgor Comisiynu ar y Cyd, a gwasanaethau Cychwyn Cadarn gydag awdurdodau lleol. Rydym yn gweithio mewn partneriaeth ag awdurdodau lleol, a hefyd â chyd-weithwyr yn y sectorau cyhoeddus a phreifat a'r trydydd sector, yn cynnwys ein tîm gwerthfawr o wirfoddolwyr.

2.4 Mae ein gwasanaethau'n cael eu darparu yn y lleoliadau canlynol:

- Pedwar prif ysbyty: Ysbyty Bronglais yn Aberystwyth; Ysbyty Glangwili yng Nghaerfyrddin; Ysbyty'r Tywysog Philip yn Llanelli; ac Ysbyty Llwynhelyg yn Hwlffordd
- Pum ysbyty cymunedol: Ysbyty Dyffryn Aman ac Ysbyty Llanymddyfri yn Sir Gaerfyrddin; Ysbyty Tregaron yng Ngheredigion; ac Ysbytai Dinbych-y-pysgod a De Sir Benfro yn Sir Benfro
- Dwy ganolfan gofal integredig: Aberaeron ac Aberteifi yng Ngheredigion, a nifer o leoliadau cymunedol eraill
- 47 o bractisau cyffredinol (gyda chwech o'r rhain yn cael eu rheoli gan y Bwrdd Iechyd); 38 o bractisau deintyddol (gan gynnwys pedwar practis orthodontig); 97 o fferyllfeydd cymunedol; 43 o bractisau offthalmig cyffredinol; ac 8 darparwr gwasanaeth offthalmig yn y cartref
- Nifer o wasanaethau iechyd meddwl ac anableddau dysgu



Bwrdd Iechyd Prifysgol
Hywel Dda
University Health Board

Rhan 1:
Ein Perfformiad

2024/2025

3. Trosolwg o'n perfformiad

Mae'r Trosolwg o Berfformiad yn grynodeb o'r Adroddiad ar Berfformiad. Mae'n rhoi trosolwg i chi o'r heriau yr ydym wedi'u hwynebu a'r modd yr ydym wedi mynd i'r afael â nhw, yn ogystal â'r hyn a gyflawnwyd a'r cynnydd a wnaed.

Mae hefyd yn cynnwys crynodeb o'r modd yr ydym wedi perfformio o gymharu â thargedau Llywodraeth Cymru, y camau a gymerwyd gennym i wella, a'r modd yr ydym wedi cynnal ffocws ar ddiogelwch ac ansawdd.

3.1 Datganiad ein Prif Weithredwr

Mae ein system iechyd a gofal yn wynebu rhai o'r heriau anoddaf yr ydym erioed wedi dod ar eu traws. Er i ni wneud cynnydd da yn ystod 2024-25, y prif broblemau yr ydym ni yn Hywel Dda yn eu hwynebu o hyd yw argaeledd staff (gan gynnwys gofal cymdeithasol), costau a chwyddiant, iechyd y boblogaeth, a galw uchel am ein gwasanaethau.

Mae ein staff ledled ein sefydliad wedi bod yn gweithio'n eithriadol o galed i fynd i'r afael â'r pwysau hwn a gwella profiad pobl o'r gwasanaethau. O ganlyniad, rydym wedi dechrau lleihau rhywfaint o'r ôl-groniad a'r oedi o ran gofal cleifion, ond gwyddom fod yna lawer mwy i'w wneud o hyd.

Rydym yn ymrwymedig i wella mynediad at wasanaethau i'n cleifion, gan hefyd weithio tuag at sefydlogrwydd ariannol o fewn ein cyllideb. Pennodd Llywodraeth Cymru 'gyfanswm rheoli' ar ein cyfer, gan gydnabod diffyg o £44.8 miliwn yn y byrdymor. Yn dilyn cyllid ychwanegol gan Lywodraeth Cymru, gostyngodd ein diffyg ar gyfer y flwyddyn a ddaeth i ben ar 31 Mawrth 2024 o £64 miliwn i £31.55 miliwn.

Mae angen i bob bwrdd iechyd yng Nghymru greu cynllun tair blynedd o'r enw Cynllun Tymor Canolig Integredig (IMTP) a chael Llywodraeth Cymru i'w gymeradwyo. Rhaid i'r cynllun hwn fod yn gytbwys yn ariannol dros y tair blynedd. Fodd bynnag, ym mis Ionawr 2024, bu i ni gydnabod na fyddem yn gallu cyflwyno Cynllun Tymor Canolig Integredig cytbwys erbyn diwedd mis Mawrth 2024 ac felly, yn lle hynny, aethom ati i lunio cynllun unflwydd, sef Cynllun Blynyddol ar gyfer 2024-25.

Ein prif nod mewn perthynas â'r cynllun hwn yw cynnal gwasanaethau o ansawdd uchel a diogel o fewn terfynau ariannol ein sefydliad. Mae rhagor o fanylion am ein perfformiad ar draws amrywiaeth o feysydd i'w gweld yn yr Adroddiad Perfformiad o dudalen 22 ymlaen.

Roedd y cynllun yn canolbwyntio ar set lai o amcanion er mwyn sicrhau y gallem eu cyflawni o fewn y flwyddyn. Cafodd yr amcanion hyn eu cysoni â blaenoriaethau Llywodraeth Cymru, ac roeddent yn cynnwys:

Gwerth a chynaliadwyedd		
Amcan cynllunio 1	**Sefydlogi'r gweithlu** Sicrhau bod gennym ddigon o staff a lleihau'r ddibyniaeth ar staff asiantaeth	Galluogwr critigol
Amcan cynllunio 2	**Adferiad ariannol a thrywydd** Creu llwybr clir i wella ein hiechyd ariannol	Dyletswydd statudol

Ansawdd a pherfformiad		
Amcan cynllunio 3	**Trawsnewid gofal brys a gofal mewn argyfwng** Gwella'r modd yr ydym yn ymdrin â gofal brys a gofal mewn argyfwng	Blaenoriaeth weinidogol
Amcan cynllunio 4	**Gofal wedi'i gynllunio, diagnosteg a chanser** Gwella mynediad at driniaethau a gofal wedi'u cynllunio	Blaenoriaeth weinidogol
Amcan cynllunio 5	**Iechyd meddwl a CAMHS** Gwella iechyd meddwl a'r gwasanaethau iechyd meddwl i blant a'r glasoed	Blaenoriaeth weinidogol
Canolbarth a Gorllewin Cymru Iachach		
Amcan cynllunio 6	**Cynllun Gwasanaethau Clinigol** Datblygu cynllun i fynd i'r afael ag elfennau bregus y gwasanaethau	Elfennau bregus y gwasanaethau
Amcan cynllunio 7	**Cynllun Strategol Sylfaenol a Chymunedol** Llunio strategaeth ar gyfer gofal sylfaenol a chymunedol	Blaenoriaeth gweinidogol ac elfennau bregus y gwasanaethau
Amcan cynllunio 8	**Cynlluniau'r ystad** Mynd i'r afael â phroblemau o ran ein hadeiladau a'n cyfleusterau	Elfennau bregus yr ystad
Amcan cynllunio 9	**Cynllun digidol** Gwella ein galluedd digidol	Galluogwr critigol
Amcan cynllunio 10	**Iechyd y boblogaeth** Canolbwyntio ar gadw pobl yn iach am hirach	Cynaliadwyedd hirdymor

Felly ein nodau ar gyfer 2024-25 oedd:

- gwella ein sefyllfa ariannol a gweithio tuag at gyllideb gytbwys;
- sefydlogi ein gweithlu nyrsio a lleihau'r gwariant ar asiantaethau meddygol;
- gwella mynediad cleifion at ofal wedi'i gynllunio, yn cynnwys triniaethau canser, atgyfeiriadau at driniaeth, amseroedd aros, a diagnosteg;
- parhau i drawsnewid gofal brys a gofal mewn argyfwng;
- cwblhau cam dau o'n Cynllun Gwasanaethau Clinigol (datblygu opsiynau);
- creu cynllun strategol ar gyfer gofal sylfaenol a chymunedol;
- gweithredu strwythur sefydliadol newydd, gyda gwell arweinyddiaeth a llywodraethu clinigol.

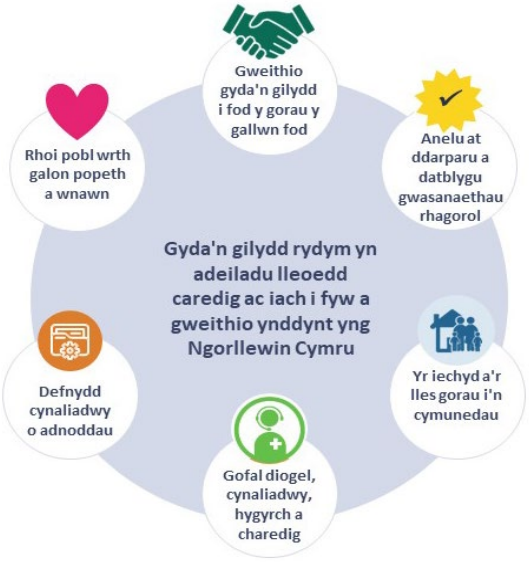
Mae gennym system atebolrwydd gadarn i reoli ein cynnydd, gan olrhain 56 o feini prawf ar draws chwe maes allweddol. Mae'r system hon yn sicrhau llinellau atebolrwydd clir ac adolygiadau rheolaidd i gynnal momentwm ac ymdrin ag unrhyw faterion yn brydlon, a hynny'n rhan o gymorth ‘ymyrraeth wedi'i thargedu’ Llywodraeth Cymru.

Mae tri maes bellach wedi cael eu hisgyfeirio o ymyrraeth wedi'i thargedu i fonitro uwch (lefel 3), gan adlewyrchu'r cynnydd a wnaed gan ein timau yn y meysydd hyn. Y meysydd yw Iechyd ac Iechyd Meddwl Plant a'r Glasoed (CAMHS), gofal wedi'i gynllunio, ac arweinyddiaeth a llywodraethu. Mae gweddill y sefydliad yn parhau i fod yn destun ymyrraeth wedi'i thargedu, sy'n

golygu bod yn rhaid i ni barhau i lywio gwelliannau, mynd i'r afael â phryderon allweddol, a chynnal gofal cleifion o'r safon uchaf.

O ran arbedion, rydym wedi llwyddo i sicrhau dros £30 miliwn o arbedion ac wedi lleihau ein diffyg cofnodedig yn sylweddol i £24.1 miliwn. Rydym hefyd wedi gweld gwelliannau o ran sefydlogi ein gweithlu trwy recriwtio rhyngwladol a llai o ddibyniaeth ar asiantaethau, y gwasanaethau iechyd meddwl yn rhagori'n gyson ar dargedau, a chynnydd o ran mesurau rheoli heintiau.

At ei gilydd, er ein bod yn dal i wynebu heriau sylweddol, mae ein dull gweithredu strwythuredig a'n hamcanion â ffocws yn darparu sylfaen gadarn ar gyfer gwelliant cynaliadwy a sefydlogrwydd ariannol, ac yn sail i'n Cynllun Blynyddol ar gyfer 2025-26.



Rydym wedi blaenoriaethu amcanion sy'n cyd-fynd â'r Fframwaith Cynllunio, blaenoriaethau Gweinidogol, a mentrau hanfodol. Mae hyn yn cynnwys datblygu ein Cynllun Gwasanaethau Clinigol i fynd i'r afael â heriau gweithredol cyfredol, a darparu trywydd ar gyfer ein gwasanaethau yn y byrdymor a'r tymor canolig.

Ochr yn ochr â'r gwaith hwn, cytunodd ein Bwrdd ym mis Tachwedd 2024 i adnewyddu ein strategaeth 'Canolbarth a Gorllewin Cymru Iachach' (a gyhoeddwyd yn 2018), sydd â'r nod o ddarparu'r gofal diogel, cynaliadwy, ataliol ac o ansawdd uchel y mae pobl yn ei haeddu, a hynny mewn lleoliadau cymunedol pan fo hynny'n bosibl.

Nid newid cyfeiriad radical yw hwn, ond yn hytrach adolygiad o'r modd yr ydym yn cyflawni'r strategaeth yn yr amgylchedd presennol, sy'n wahanol i'r hyn ydoedd chwe blynedd yn ôl. Edrychwn ymlaen at ymgysylltu â'n staff, ein cleifion, ein partneriaid a'n cymunedau lleol ac i weithio gyda nhw i adnewyddu ein strategaeth yn y flwyddyn i ddod.

Rydym eisoes wedi gwneud cynnydd tuag at y strategaeth, er enghraifft trwy gefnogi mwy o gleifion yn y gymuned, gwella cynaliadwyedd staff nyrsio, a dod â rhai gwasanaethau ynghyd yn llwyddiannus. Fodd bynnag, mae heriau'n dal i fodoli, ac wedi gwaethygu mewn rhai meysydd.

Byddai rhan allweddol o'n strategaeth yn golygu adeiladu ysbyty gofal brys a gofal mewn argyfwng newydd yn ne ardal Hywel Dda; fodd bynnag nid yw hyn yn debygol o ddigwydd am o leiaf ddeng mlynedd, ac ni chytunwyd ar y cyllid eto. Felly, yn y cyfamser, mae angen i ni gefnogi gwasanaethau sy'n fregus ar hyn o bryd, ac mae'r gwaith hwn eisoes wedi dechrau trwy ein Cynllun Gwasanaethau Clinigol.

Ceir disgrifiad manylach o'n camau gweithredu a'n cynnydd mewn perthynas â'r blaenoriaethau hyn yn yr Adroddiad Blynyddol hwn.

Mae'r Bwrdd Iechyd yn ystyried bod mabwysiadu'r sail busnes gweithredol yn briodol a bydd yn parhau i weithredu ei fusnes fel y bo'n briodol am y dyfodol rhagweladwy. Nid ydym yn ymwybodol o unrhyw amgylchiadau a fyddai'n codi amheuaeth ar hyn.

Yr Athro Philip Kloer
Prif Weithredwr

3.2 Ein taith strategol

3.2.1 Canolbarth a Gorllewin Cymru Iachach

Ein gweledigaeth yw darparu gofal mwy ataliol a'i gyflawni mewn lleoliadau cymunedol pan fo hynny'n bosibl.

Yn 2018, bu i ni gyhoeddi ein strategaeth ‘Canolbarth a Gorllewin Cymru Iachach’, ac er ein bod wedi gwneud cynnydd sylweddol tuag at hyn, megis rhoi cymorth i fwy o gleifion yn y gymuned, gwella cynaliadwyedd staff nyrsio, a dod â rhai gwasanaethau ynghyd yn llwyddiannus, mae llawer o heriau'n parhau ac wedi gwaethygu mewn rhai meysydd.

Mae angen i ni adnewyddu ein strategaeth ac ystyried newidiadau pellach sy'n ofynnol i ddarparu gofal diogel, cynaliadwy, o ansawdd uchel i'n poblogaeth. Byddwn yn ymgysylltu â'n cymunedau o staff, ein cleifion, ein partneriaid a'n poblogaeth leol ac yn gweithio gyda nhw i fireinio ein strategaeth gyda'n gilydd.

Rhan allweddol o'r strategaeth bresennol yw ein cynllun ar gyfer ysbyty gofal brys a gofal wedi'i gynllunio newydd yn ne ardal Hywel Dda. Fodd bynnag, mae'n annhebygol iawn bellach y byddai'r ysbyty newydd yn weithredol am o leiaf ddegawd yn dilyn yr oedi a achoswyd gan y pandemig a ffactorau eraill.

Mae hyn yn golygu bod angen i ni ystyried rhai o'r newidiadau allweddol i'r gwasanaethau ’nawr, cyn y bydd y cyfleuster newydd ar gael, a hynny yn ein hysbytai presennol. Mae gwaith i gefnogi gwasanaethau bregus yn y cyfnod cyn cael ysbyty newydd eisoes wedi dechrau trwy raglen waith a elwir y Cynllun Gwasanaethau Clinigol (y manylir arno isod).

3.2.2 Llunio Cynllun Strategol ar gyfer Gofal Sylfaenol a Chymunedol

Rydym yn llunio cynllun strategol ar gyfer gwasanaethau gofal sylfaenol (gwasanaethau contractwyr yw'r rhain, er enghraifft meddygfeydd teulu, gwasanaethau deintyddol, meddygfeydd optometreg, a fferyllfeydd cymunedol) a gofal cymunedol.

Rydym wedi ymgysylltu â'n staff a'n cymunedau yn hydref 2024 yn rhan o'r rhaglen ’Fy Iechyd, Fy Newis’. Ymhlith y themâu cyffredin a ddaeth i'r amlwg o'r adborth y mae cefnogaeth ar gyfer ffyrdd mwy integredig o weithio, gwella mynediad at ofal, yn ogystal â gwella gwybodaeth am yr

amrywiaeth o wasanaethau cymunedol a sylfaenol sydd ar gael. Rydym ’nawr yn datblygu'r opsiynau ar gyfer gwasanaethau sylfaenol a chymunedol yn y dyfodol.

3.2.3 Ein Cynllun Gwasanaethau Clinigol

Mae ein Cynllun Gwasanaethau Clinigol yn canolbwyntio ar naw gwasanaeth gofal iechyd lle mae'r angen mwyaf am newid er mwyn sicrhau eu bod yn ddiogel ac yn gynaliadwy ar gyfer y dyfodol. Y gwasanaethau sydd wedi'u cynnwys yn y Cynllun Gwasanaethau Clinigol yw gofal critigol, llawdriniaeth gyffredinol frys, strôc, endosgopi, radioleg, dermatoleg, offthalmoleg, orthopedeg ac wroleg. Dewiswyd y naw gwasanaeth clinigol hyn oherwydd y perygl na fyddent yn gallu parhau i gynnig gwasanaethau diogel o ansawdd uchel, neu ofal amserol.

Mae ein cynlluniau hirdymor ar gyfer gwasanaethau yn parhau'r un fath â'r rheiny a bennir yn ein strategaeth, ‘Canolbarth a Gorllewin Cymru Iachach’. Fodd bynnag, un o brif alluogwyr y strategaeth hon yw ein cynllun i adeiladu ysbyty gofal brys a gofal wedi'i gynllunio newydd yn ne ardal Hywel Dda. Nid oes cymorth ariannol ar gyfer ysbyty newydd wedi'i sicrhau eto, a gallai gymryd o leiaf ddeng mlynedd i godi ysbyty newydd, os caiff ei ariannu. Mae angen i ni ystyried y modd yr ydym yn darparu ein gwasanaethau yn y cyfamser.

Nod y Cynllun Gwasanaethau Clinigol yw mynd i'r afael ag elfennau bregus yn y gwasanaeth, fel y gallwn ddarparu gofal diogel a chynaliadwy i'n cymunedau, gwella safonau, a lleihau'r amser y mae pobl yn aros am driniaeth.

Y cynllun fesul cam

Mae cam un ein Cynllun Gwasanaethau Clinigol yn archwilio'r materion sy'n effeithio ar y naw maes gwasanaeth. Lluniwyd papur i amlygu'r ystod o faterion sy'n effeithio ar ein gwasanaethau, ac mae'n cynnwys yr adborth a gafwyd trwy arolygon staff, cleifion a chontractwyr. Rhoddwyd y papur materion gerbron y cyfarfod cyhoeddus o'n Bwrdd ar 28 Mawrth 2024, ac mae ar gael i'w ddarllen yma: Diweddariad Cynllun Gwasanaethau Clinigol

Dechreuodd cam dau o'r Cynllun Gwasanaethau Clinigol gyda ‘digwyddiad cydgynghorol’ i ddod o hyd i wasanaethau a sefydliadau sy'n dibynnu ar ei gilydd. Aeth cynrychiolwyr cleifion ati i adolygu'r problemau a rhannu syniadau i ddatrys yr heriau a wynebir. Mewn amrywiaeth o weithdai gwahanol a gynhaliwyd rhwng mis Chwefror 2024 a mis Medi 2024, bu’r naw maes gwasanaeth yn gweithio i lunio opsiynau drafft i fynd i’r afael â’r materion hyn a gwella'r gwasanaethau. Mae rhaglen y Cynllun Gwasanaethau Clinigol yn ffocysu ar ddarparu gofal sy'n ddiogel, yn gynaliadwy, yn hygyrch, ac yn garedig.

Roedd y gweithdai wedi dwyn ynghyd grwpiau llai o staff o bob un o'r naw maes gwasanaeth, ochr yn ochr â chyd-weithwyr o wasanaethau cysylltiedig, a hynny er mwyn cydweithio mewn modd bwriadus. Lluniwyd rhestr hir o bum opsiwn posibl, ac aeth pedwar opsiwn ymlaen i'r rhestr fer. Roedd yn rhaid i bob opsiwn fodloni meini prawf penodol er mwyn sicrhau ei fod yn gynaliadwy'n glinigol, yn gyflawnadwy, yn hygyrch, yn gyson yn strategol, ac yn hyfyw yn ariannol.

Roedd rhai gweithdai'n cynnwys amrywiaeth ehangach o staff, cynrychiolwyr cleifion, a chynrychiolwyr rhanddeiliaid i ‘wirio a herio’ y gwaith a wnaed gan y grŵp llai. Roedd hyn yn caniatáu i ystod ehangach o safbwyntiau gael eu hystyried wrth ddatblygu a sgorio'r opsiynau.

Cafodd y gwaith o roi sgôr i'r opsiynau ar y rhestr fer ac o nodi gwasanaethau a sefydliadau cyd-ddibynnol ei gwblhau ar 6 Medi 2024. Ym mis Tachwedd 2024, cafodd aelodau'r Bwrdd Adroddiad Terfynol sy'n crynhoi'r gwaith a gyflawnwyd yn ystod cam un a cham dau o'r rhaglen Cynllun Gwasanaethau Clinigol. Mae'r adroddiad ar gael i'w ddarllen yma.

Ar hyn o bryd rydym yng ngham tri o'r rhaglen ar gyfer y Cynllun Gwasanaethau Clinigol. Mae'r opsiynau ar y rhestr fer wedi cael eu profi ymhellach ymhlith uwch-arweinwyr gweithredol a chlinigol, yn cynnwys cynrychiolaeth o blith y naw gwasanaeth.

Y camau nesaf

Ym mis Ionawr 2025, cymeradwyodd ein Bwrdd y cynnig i gynnal ymgynghoriad cyhoeddus i ymgysylltu ynghylch yr opsiynau i ddarparu gofal ar draws y naw gwasanaeth clinigol. Mae hyn yn unol â Chanllawiau Llywodraeth Cymru ar gyfer Ymgysylltu ac Ymgynghori ar Newidiadau i Wasanaethau Iechyd. Bydd yr ymgynghoriad yn para am 12 wythnos o ddydd Llun 2 Mehefin 2025 i ddydd Sul 31 Awst 2025, a bydd yn cael ei gefnogi gan wasanaethau sicrhau ansawdd ac ymgynghori annibynnol.

Er bod yr opsiynau'n cael eu cwblhau, nid oes yr un ateb a ffefrir ar hyn o bryd. Bydd opsiynau neu syniadau ychwanegol a gyflwynir gan ein cymunedau hefyd yn cael eu hystyried yn rhan o'r broses ymgynghori. Bydd yr ymgynghoriad yn ceisio casglu barn pobl ar opsiynau a ffefrir ganddynt ar gyfer pob un o'r naw maes gwasanaeth, y modd y cânt eu darparu yn ein hysbytai, a phryderon ynghylch unrhyw rai o'r dewisiadau neu'r effeithiau y gallent eu cael.

Bydd yna hefyd ymgynghoriad ar rôl ein hysbytai acíwt yn y dyfodol:
Ysbyty Glangwili ac Ysbyty'r Tywysog Philip yn Sir Gaerfyrddin, Ysbyty Bronglais yng Ngheredigion, ac Ysbyty Llwynhelyg yn Sir Benfro.

Mae'r ymgynghoriad yn elfen allweddol o'n hymrwymiad i sicrhau bod pob llais yn cael ei glywed wrth lunio dyfodol gofal iechyd yn y rhanbarth.

Mae rhagor o wybodaeth am y Cynllun Gwasanaethau Clinigol ar gael yma.

3.3 Ymgysylltu â'n cymunedau lleol

Mae'n bwysig ein bod yn gwrando ar safbwyntiau, barn a syniadau pobl yn ein cymunedau, ac yn gweithredu arnynt, er mwyn ein helpu i wella'r hyn a wnawn. Rydym am i bobl leol gael cyfle i ddweud eu dweud ynghylch y modd y mae gwasanaethau iechyd lleol yn cael eu cynllunio, eu datblygu a'u darparu. Yn ystod 2024-25, bu i ni ymgysylltu â phobl yn y meysydd allweddol canlynol.

3.3.1 Gwella ein gwasanaethau clinigol

Ym mis Mawrth 2023, penderfynodd ein Bwrdd greu cynllun i wella naw gwasanaeth iechyd allweddol: gofal critigol, dermatoleg, llawdriniaeth gyffredinol frys, endosgopi, offthalmoleg, orthopedeg, radioleg, strôc ac wroleg.

Erbyn mis Mawrth 2024, roeddem wedi nodi'r prif faterion sy'n effeithio ar y gwasanaethau hyn ac wedi cynnal gweithdai gyda staff a chleifion i lunio syniadau ar gyfer gwella. Yn ogystal â hyn, ymunodd cynrychiolwyr o saith lleoliad gwahanol â thri gweithdy i rannu eu barn. Cynhaliwyd y gweithdy olaf ar gyfer y cam hwn o'r rhaglen ym mis Medi, lle bu i ni asesu a sgorio opsiynau posibl ar gyfer pob gwasanaeth. Yn ei gyfarfod ar 30 Ionawr 2025, cymeradwyodd ein Bwrdd amserlen ar gyfer ymgynghoriad cyhoeddus ar y cynllun, a fydd yn dechrau ym mis Mai 2025 ac yn para am 12 wythnos. Yn ystod y cyfnod hwn, byddwn yn gofyn i bobl ledled ein sefydliad a'n cymunedau am eu barn ar y modd y gallwn wella'r naw gwasanaeth hyn.

Cliciwch yma i ddarllen rhagor am ein Cynllun Gwasanaethau Clinigol.

3.3.2 Ein cynllun ar gyfer gwell gofal sylfaenol a chymunedol

Rhwng 2 Medi ac 11 Hydref 2024, cynhaliwyd ein hymarfer ymgysylltu ‘Fy Iechyd, Fy Newis’ i gasglu barn pobl ar ddarparu gwasanaethau gofal sylfaenol a gofal iechyd cymunedol yn y dyfodol. Roedd y digwyddiadau yn arddangos gwasanaethau gan wahanol ddarparwyr o'r sector cyhoeddus a'r trydydd sector. Cynhaliwyd saith digwyddiad galw heibio a dau ddigwyddiad ar-lein cyhoeddus mewn ardaloedd clwstwr gofal sylfaenol, gyda dros 200 o bobl yn bresennol, gan

gynnwys: Tywi/Taf, Llanelli, Aman-Gwendraeth, De Sir Benfro, Gogledd Sir Benfro, De Ceredigion, a Gogledd Ceredigion.

Yn y llun ar y dde gwelir Emily a Margaret yn sgwrsio â Thîm Eiddilwch De Ceredigion yn y digwyddiad llesiant gofal sylfaenol a chymunedol yn Llandysul ym mis Medi.

At hynny, cynhaliwyd pedair sesiwn dargededig gyda grwpiau penodol: Clwb Arwyddo a Rhannu, Pobl yn Gyntaf Sir Benfro, Ysgol Portfield, ac Ysgol Heol Goffa. Cliciwch yma i gael rhagor o wybodaeth am y cynllun hwn.

3.3.3 Gwasanaethau fflebotomi yn Llanelli

Rhwng 29 Ebrill a 26 Mehefin 2024, cynhaliwyd cyfnod ymgysylltu cyhoeddus ynghylch yr effaith y byddai symud y gwasanaethau profi gwaed o Ganolfan Antioch i'r Ganolfan Brechu Torfol yn Nafen yn Llanelli yn ei chael ar gleifion. Cynhaliwyd dau ddigwyddiad galw heibio ar 8 ac 14 Mai yng Nghanolfan Antioch, Llanelli, ynghyd ag arolwg ategol. Daeth 81 o ymatebion i law.

3.3.4 Meddygfa Dewi Sant, Sir Benfro

Aethom ati i gynnal proses ymgysylltu â'r cyhoedd rhwng 13 Mai a 19 Mehefin 2024, i benderfynu ar ddyfodol gwasanaethau meddygon teulu i gleifion Meddygfa Dewi Sant yn Sir Benfro. Roedd hyn wedi i'r meddyg teulu unigol ildio'r contract Gwasanaethau Meddygol Cyffredinol, a ddaeth yn weithredol ar 31 Hydref 2024.

Daeth dros 500 o bobl i'n digwyddiad galw heibio a gynhaliwyd yn Neuadd y Ddinas, Tyddewi ar 14 Mehefin 2024. At hynny, anfonodd y feddygfa arolwg at bob claf, a oedd hefyd ar gael ar-lein, a daeth 1,072 o ymatebion i law. Cynhaliwyd sesiwn bwrpasol gyda thrigolion Gofal yn y Gymuned Tyddewi (pobl ag anableddau dysgu) ar 10 Mehefin 2024, gyda 15 o drigolion a phedwar aelod o staff yn rhannu eu barn.

3.3.5 Gwelyau cleifion mewnol yn Ysbyty Tregaron, Ceredigion

Yn ystod cyfnod ymgysylltu pedair wythnos o hyd ym mis Awst 2024, gofynasom am adborth ar gael gwared ar naw gwely cleifion mewnol yn Ysbyty Cymunedol Tregaron a chynnig gwasanaethau cymunedol yng Ngheredigion yn lle hynny. Mae'r cynnig, sy'n rhan o brosiect Cylch Caron ac yn cyd-fynd â'n gweledigaeth ar gyfer canolbarth a gorllewin Cymru iachach, yn anelu at symud gofal cleifion mewnol i gartrefi pobl. Roedd y digwyddiadau cyhoeddus yn cynnwys sesiwn galw heibio yn Neuadd Goffa Tregaron a digwyddiad ar-lein, ochr yn ochr ag arolwg, a ildiodd 174 o ymatebion.

Ar 26 Medi 2024, cymeradwyodd y Bwrdd Iechyd y model gofal iechyd cymunedol, gan gynnig gofal cartref yng ngogledd Ceredigion yn lle gwelyau cleifion mewnol.

Yn rhan o brosiect Cylch Caron, bydd canolfan adnoddau integredig yn cael ei datblygu mewn partneriaeth â Chyngor Sir Ceredigion, y Bwrdd Iechyd a Llywodraeth Cymru, i ddarparu gwasanaethau gofal, iechyd a thai mewn canolfan ganolog ar gyfer Tregaron a'r ardaloedd cyfagos.

3.3.6 Uned Ddydd Cemotherapi, Ysbyty Bronglais, Aberystwyth

Nod ein prosiect Uned Ddydd Cemotherapi yn Ysbyty Bronglais yw sefydlu uned therapi gwrth-ganser newydd yn Aberystwyth. Ers mis Tachwedd 2021, rydym wedi bod yn diweddaru cymunedau lleol ar gynnydd y prosiect ac Elusen Iechyd Hywel Dda.

Mae grŵp gorchwyl a gorffen cyhoeddus yn gweithio ar yr elfen gelfyddydol, gan ganolbwyntio ar y cynllun lliw a gweithgareddau cyfranogol. Roedd hyn yn cynnwys holiadur i gasglu adborth rhwng 18 Hydref a 25 Tachwedd 2024. Dangosodd yr ymatebion fod y prosiect yn edrych yn dda ond ei fod wedi cymryd mwy o amser na'r disgwyl, ac y byddai'r amgylchedd gwell yn gwella gofal ac yn darparu profiad mwy hamddenol i gleifion.

3.3.7 Yr Uned Mân Anafiadau, Ysbyty'r Tywysog Philip, Llanelli

Cymeradwyodd ein Bwrdd fod Uned Mân Anafiadau Ysbyty'r Tywysog Philip yn cael ei chau dros dro o 1 Tachwedd 2024. Cyn cau'r Uned dros dro, cynhaliwyd digwyddiad galw heibio yng Nghanolfan Antioch yn Llanelli ar 23 Hydref 2024 i esbonio'r rhesymau dros y newid. Daeth 119 o bobl i'r digwyddiad. Bu i ni hefyd gwrdd â chynghorau Gwledig Llanelli a Chyngor Tref Llanelli yn rhan o'n proses ymgysylltu, a chynnal arolwg i bobl leol rannu eu barn.

Aethom ati i greu Grŵp Datblygu Opsiynau, sy'n cynnwys aelodau o blith Llais Gorllewin Cymru, Save Our Services Prince Philip Action Network (SOSPPAN), y gymuned leol, staff a phartneriaid, i ystyried a gwerthuso rhestr hir o opsiynau posibl ar gyfer dyfodol yr Uned Mân Anafiadau.

Cynhaliwyd dau ddigwyddiad galw heibio cyhoeddus arall ar 6 ac 17 Mawrth 2025 yn Llandybie a Llanelli, ynghyd â chyfarfod ar-lein i gynghorwyr cyn ein cyfarfod Bwrdd cyhoeddus ar 27 Mawrth 2025 i adolygu'r opsiynau sydd ar y rhestr fer a chytuno ar y camau nesaf.

Ar 27 Mawrth 2025 cytunodd ein Bwrdd i fwrw ymlaen ag ymgynghoriad cyhoeddus yn ystod gwanwyn eleni ar bedwar opsiwn a ddatblygwyd, a gwahoddwyd syniadau newydd nad ydynt wedi cael eu hystyried hyd yma.

Parhaodd tua 2,000 o bobl leol, gan gynnwys teuluoedd megis Stephanie Roberts o Lanelli ac Emily Williams o Garnant (yn y llun ar y dde), i gael eu mân anafiadau wedi'u trin yn Uned Mân Anafiadau Ysbyty'r Tywysog Philip yn ystod mis cyntaf y newidiadau dros dro i'r oriau agor.

3.3.8 Y Tîm Allgymorth Datblygu Cymunedol

Mae ein Tîm Allgymorth Datblygu Cymunedol yn ymgysylltu'n rheolaidd â chymunedau amrywiol a grwpiau agored i niwed ledled ein tair sir er mwyn deall a gwella mynediad at ofal iechyd. Ein nod yw chwalu rhwystrau ac anghydraddoldebau, gan fod yn bont rhwng cymunedau a'r Bwrdd Iechyd. Mae'r grwpiau hyn yn cynnwys cymunedau Sipsiwn, Roma a Theithwyr, pobl ddigartref, pobl sydd â threfniadau bregus o ran tai, ceiswyr lloches, ffoaduriaid, a phobl Ddu, Asiaidd ac ethnig leiafrifol.

3.3.9 Sioe Sir Benfro

Roedd Sioe Sir Benfro 2024 yn gyfle i ni siarad â phobl a rhannu gwybodaeth am ein gwasanaethau. Cynhaliwyd y sioe ganol mis Awst, ac roedd ein stondin arddangos yn cynnwys amryw o dimau'r Bwrdd Iechyd, yn cynnwys diabetes, nyrsio ysgolion, imiwneiddio, gweithlu'r dyfodol, cardioleg gymunedol, cymorth rhestrau aros, rheolwyr Sir Benfro, meddygfa Arberth, therapi galwedigaethol cymunedol, allgymorth datblygiad cymunedol, recriwtio, rhoi organau, ymgysylltu a chyfathrebu.

Sut i gymryd rhan

Os oes gennych ddiddordeb mewn cymryd rhan mewn gweithgareddau ymgysylltu yn y dyfodol neu os hoffech gael y newyddion diweddaraf am waith y Bwrdd Iechyd, gallwch ymuno â chynllun ymgysylltu Hywel Dda Siarad Iechyd.

4. Ein perfformiad

4.1 Ansawdd a diogelwch

Mae darparu gofal o ansawdd uchel yn broses gymhleth a bregus. Trwy gydol 2024-25, rydym wedi parhau i adolygu a nodi meysydd i'w gwella er mwyn sicrhau y gallwn gyflawni ein dyletswydd ansawdd a darparu gwasanaethau o safon i'n cleifion ledled y Bwrdd Iechyd.

Mae'r Adroddiad Perfformiad yn adlewyrchu'r camau yr ydym wedi'u cymryd, ac yr ydym yn parhau i'w cymryd, i wella ansawdd a diogelwch y gofal a'r gwasanaethau yr ydym yn eu darparu ar gyfer ein poblogaeth leol.

Mae rhagor o wybodaeth am ein trefniadau llywodraethu ansawdd ar gael yn adran Atebolrwydd yr Adroddiad Blynyddol hwn.

Enillodd Tîm anhygoel Risg a Llywodraethu ein gwasanaethau Mamolaeth a Newyddenedigol dair gwobr yng Ngwobrau MUM™ (Rhyfeddodau Unedau Mamolaeth) y DU 2025 i gydnabod y rôl y mae'n ei chwarae wrth wella diogelwch i famau beichiog (yn y llun ar y dde).

Eleni, rydym yn llunio ein Hadroddiad Ansawdd Blynyddol, ein Hadroddiad Blynyddol ar y Ddyletswydd Gonestrwydd a'n Hadroddiad Blynyddol Gweithio i Wella, a bydd pob un ohonynt ar gael ar ein gwefan ar ôl eu cyhoeddi: https://biphdd.gig.cymru/amdanom-ni/trefniadau-llywodraethu/deddf-ansawdd-ac-ymgysylltu/.

Mae'r adroddiadau hyn yn manylu ar y gwelliannau a wnaed gennym i sicrhau bod ein gwasanaethau'n ddiogel, yn amserol, yn effeithiol, yn effeithlon, yn seiliedig ar dystiolaeth, ac yn canolbwyntio ar yr unigolyn, yn unol â'r Ddyletswydd Ansawdd: https://biphdd.gig.cymru/amdanom-ni/trefniadau-llywodraethu/deddf-ansawdd-ac-ymgysylltu/dyletswydd-ansawdd/

4.2 Crynodeb o'n perfformiad

Mae'r tabl isod yn crynhoi perfformiad o gymharu â'n mesurau gwella perfformiad allweddol ar gyfer 2024-25. Mae'r rhain yn cynnwys mesurau sy'n ymwneud â dulliau monitro datblygedig (ymyriad targededig) Llywodraeth Cymru, ac sy'n ymwneud â chamau gweithredu yn ein Cynllun Blynyddol ar gyfer 2024-25 a elwir yn 'amodau atebolrwydd', ynghyd â blaenoriaethau'r Gweinidog Iechyd a Gofal Cymdeithasol ar gyfer y flwyddyn ariannol hon.

Gellir dod o hyd i fanylion am y rheswm dros ddefnyddio siartiau rheoli prosesau ystadegol yma.

Amrywiant – sut yr ydym yn cyflawni dros amser

- Amrywiant sy'n gwella
- Amrywiant arferol
- Amrywiant sy'n peri pryder

Sicrwydd – perfformiad yn unol â thargedau

- Bob amser yn cyrraedd y targed
- Anghysondeb o ran cyrraedd y targed
- Bob amser yn methu'r targed

Trywydd – perfformiad yn unol â'n huchelgais

- Yn bodloni'r trywydd
- O fewn 5% o'r trywydd
- Dros 5% oddi ar y trywydd

Pwnc	Maes i'w wella	Y cyfnod diweddaraf	Targed	Gwirion-eddol	Amrywiant	Sicrwydd	Trywydd
Canser	% y cleifion ar y llwybr canser unigol sy'n dechrau triniaeth cyn pen 62 diwrnod	Chwef 25	75%	64%	●	■	◆
Oedi wrth ryddhau	Nifer yr achosion o oedi wrth ryddhau cleifion oddi ar Lwybrau Gofal	Maw 25	Amh	218	●	Amh	◆
Diagnosteg	Cleifion sy'n aros 8 wythnos a mwy am ddiagnosteg benodol	Maw 25	0	4,851	●	■	Amh
Cyllid	Diffyg ariannol yn ystod y mis	Maw 25	Amh	£3,360,000	●	Amh	◆
Heintiau	*E. coli:* Nifer yr achosion o a gadarnhawyd (yn ystod y mis)	Maw 25	21	40	●	■	Amh
Heintiau	*S. aureus:* Nifer yr achosion o a gadarnhawyd (yn ystod y mis)	Maw 25	6	9	●	■	Amh
Heintiau	*C. difficile:* Nifer yr achosion o a gadarnhawyd (yn ystod y mis)	Maw 25	8	11	●	■	Amh
Iechyd meddwl (yn cynnwys niwro)	% yr oedolion sy'n aros < 26 wythnos am therapi seicolegol	Maw 25	80%	59.8%	●	■	◆
Iechyd meddwl (yn cynnwys niwro)	% y plant sy'n aros < 26 wythnos am asesiad Niwroddatblygiadol	Maw 25	80%	24.3%	●	■	◆
Iechyd meddwl (yn cynnwys niwro)	% yr asesiadau iechyd meddwl cyn pen 28 diwrnod (0-17 oed)	Maw 25	80%	98.4%	●	■	◆
Iechyd meddwl (yn cynnwys niwro)	% yr asesiadau iechyd meddwl cyn pen 28 diwrnod (18+)	Maw 25	80%	96.2%	●	■	◆
Iechyd meddwl (yn cynnwys niwro)	% yr ymyriadau therapi yn dilyn asesiad gan yr LMPSS (0-17 oed)	Maw 25	80%	90.4%	●	■	◆
Iechyd meddwl (yn cynnwys niwro)	% yr ymyriadau therapi yn dilyn asesiad gan yr LMPSS (18+)	Maw 25	80%	96.7%	●	■	◆
Gofal wedi'i gynllunio	Arosiadau dros 52 wythnos: apwyntiad claf allanol newydd	Maw 25	0	0	●	■	Amh
Gofal wedi'i gynllunio	Cleifion sy'n aros 104 wythnos neu fwy rhwng atgyfeiriad a thriniaeth	Maw 25	0	0	●	■	◆
Gofal wedi'i gynllunio	Cleifion sy'n aros dros 52 wythnos rhwng atgyfeiriad a thriniaeth	Maw 25	0	12,202	●	■	Amh
Gofal wedi'i gynllunio	Apwyntiadau dilynol – wedi'u hoedi > 100%	Maw 25	0	16,504	●	■	Amh
Gofal wedi'i gynllunio	% yr apwyntiadau gofal llygaid R1 yr aed iddynt o fewn y targed neu a gafodd eu hoedi hyd at 25%	Maw 25	95%	57.5%	●	■	Amh
Therapïau	Cleifion sy'n aros 14 wythnos neu fwy am therapi penodol (ac eithrio Awdioleg)	Maw 25	0	2,216	●	■	◆
Gofal brys a gofal mewn argyfwng	% y galwadau coch yr ymatebwyd iddynt gan ambiwlans < 8 munud	Maw 25	65%	51.7%	●	■	Amh
Gofal brys a gofal mewn argyfwng	Trosglwyddiadau o ambiwlansys > 1 awr Hywel Dda	Maw 25	0	988	●	■	◆
Gofal brys a gofal mewn argyfwng	Trosglwyddiadau o ambiwlansys > 4 awr Hywel Dda	Maw 25	0	343	●	■	Amh
Gofal brys a gofal mewn argyfwng	% y cleifion sy'n treulio < 4 awr mewn Adran Damweiniau ac Achosion Brys/Uned Mân Anafiadau yn Hywel Dda	Maw 25	95%	68.8%	●	■	Amh
Gofal brys a gofal mewn argyfwng	Cleifion sy'n treulio > 12 awr mewn Adran Damweiniau ac Achosion Brys/Uned Mân Anafiadau yn Hywel Dda	Maw 25	0	1,412	●	■	◆
Y Gweithlu	% y gyfradd absenoldeb oherwydd salwch ymhlith staff	Maw 25	4.79%	6.60%	Amh	Amh	Amh

Mae rhagor o fanylion am y mesurau uchod, ac am y materion a'r risgiau a effeithiodd ar ein perfformiad yn 2024-25, i'w gweld yn yr adran isod.

4.3 Asesiad o'n perfformiad (blaenoriaethau allweddol, perfformiad, heriau a risgiau)

4.3.1 Gofal brys a gofal mewn argyfwng (yn cynnwys y chwe nod cenedlaethol)

Ein gweledigaeth ar gyfer gofal brys a gofal mewn argyfwng yw darparu gwasanaethau hygyrch, amserol sy'n agos at y cartref, gan ddilyn Fframwaith Chwe Nod Cenedlaethol Llywodraeth Cymru (https://www.llyw.cymru/chwe-nod-ar-gyfer-gofal-brys-gofal-mewn-argyfwng-llawlyfr-polisi-ar-gyfer-2021-i-2026). Mae sefydliadau iechyd a gofal yn cydweithio i sicrhau bod pobl yn cael y gofal iawn, yn y lle iawn, ar yr adeg iawn.

Nododd pob gwasanaeth, boed yn rhai cymunedol neu yn yr ysbyty, gynnydd yn y galw, yn enwedig yn ystod misoedd y gaeaf pan oedd nifer yr achosion o'r ffliw, RSV (firws syncytiol anadlol dynol) a'r Norofeirws yn uchel.

Rydym wedi bod yn gwrando ar ein cleifion, ein gofalwyr a'n sefydliadau partner i wella mynediad at ofal brys a gofal mewn argyfwng. Gwyddom y gall bod ar safleoedd ein hysbytai, yn enwedig yn ein hadrannau achosion brys, ar adegau o bwysau eithafol, fod yn brofiad anodd i bawb, yn enwedig i'n cleifion sy'n sâl neu mewn poen. Ymddiheurwn i unrhyw un sydd wedi cael profiad gwael wrth ddefnyddio ein gwasanaethau, ac rydym yn ymdrechu'n gyson i wella hyn.

Er gwaethaf hyn, rydym wedi gwneud cynnydd sylweddol dros y flwyddyn ddiwethaf. Bu i ni sefydlu tair canolfan gofal brys 24/7 yn Sir Gaerfyrddin, Sir Benfro a Cheredigion. Gan weithio gyda meddygon teulu, gwasanaethau ambiwlans a nyrsys cymunedol, mae'r canolfannau hyn yn helpu i osgoi derbyniadau diangen i'r ysbyty trwy ddarparu cyngor ac ymweliadau, gan atal 500 o dderbyniadau bob mis ar gyfartaledd.

Rydym hefyd wedi canolbwyntio ar wella ein gwasanaethau Gofal Brys ar yr Un Diwrnod (SDEC) a Gofal Mewn Argyfwng ar yr Un Diwrnod (SDUC). Eleni, aethom ati i ymestyn y gwasanaethau hyn i benwythnosau ac agor SDEC newydd ar gyfer cleifion llawfeddygol yn Ysbyty Glangwili.

O ran gofal cleifion mewnol, rydym wedi gweithio i wella llif cleifion o'r adeg y cânt eu derbyn i'r adeg y cânt eu rhyddhau. Ein nod yw sicrhau bod cleifion yn cael y gofal gorau ac yn cael eu rhyddhau pan fyddant yn barod, gan leihau arosiadau diangen yn yr ysbyty. Rydym wedi llunio gwybodaeth rhyddhau ar gyfer cleifion a staff, ac wedi rhoi system electronig ar waith i gynnal llif cleifion.

Mae ein gwasanaeth Ysbyty Gartref wedi'i ehangu i ddarparu gofal lefel ysbyty gartref i gleifion â phroblemau meddygol acíwt. Rydym hefyd wedi sicrhau cyllid i brofi technolegau sy'n helpu cleifion i aros gartref, megis monitro cyfradd curiad y galon a phwysedd gwaed o bell.

Mae'r ymdrechion hyn wedi gwneud gwahaniaeth amlwg. Mae nifer yr ambiwlansys sy'n aros am dros awr i drosglwyddo cleifion wedi gostwng, gan amlygu gwell perfformiad gan yr adran achosion brys.

Mae llai o bobl yn aros yn yr ysbyty am fwy na 21 diwrnod, sy'n gwella llif ysbytai ac yn rhyddhau lle yn yr adran achosion brys.

At hynny, mae nifer yr unigolion sy'n barod i adael yr ysbyty ond sy'n wynebu oedi am amryw o resymau wedi gostwng, gan alluogi iddynt gael eu rhyddhau yn gynt ac mewn modd mwy diogel.

% y galwadau am ambiwlans oherwydd perygl i fywyd yr ymatebir iddynt cyn pen 8 munud

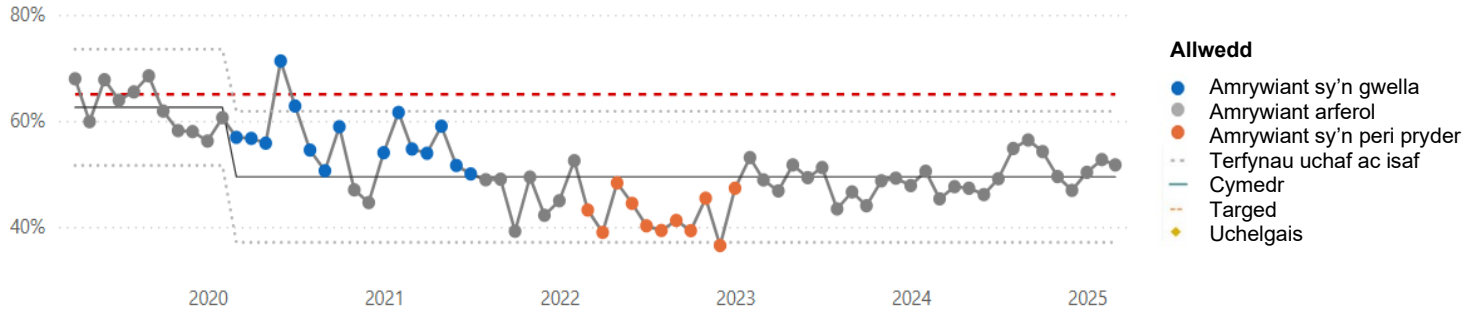
Yn 2024-25, ein nod oedd ymateb i gynifer o alwadau â phosibl cyn pen 8 munud, gan obeithio cyrraedd y targed cenedlaethol o 65%. Erbyn diwedd mis Mawrth, roeddem wedi llwyddo i gyrraedd y nod hwn ar gyfer 51.7% o alwadau (367 allan o 710).

Y prif resymau pam na allem ymateb cyn pen 8 munud i alwadau lle roedd yna berygl i fywyd oedd:

- Dim cerbyd ymateb ar gael mewn lleoliad cymeradwy, yn aml oherwydd bod cerbydau'n cael eu hoedi wrth yr ysbyty yn aros i drosglwyddo cleifion.
- Roedd cerbyd yn y lleoliad cymeradwy agosaf, ond roedd y digwyddiad yn rhy bell i'w gyrraedd cyn pen 8 munud.

I fynd i'r afael â'r heriau hyn, mae Ymddiriedolaeth GIG Gwasanaeth Ambiwlans Cymru yn defnyddio adolygiad wythnosol o'r fframwaith cenedlaethol o'r enw'r Cynllun Gweithredu Uwchgyfeirio Adnoddau (REAP). Mae hyn yn ein helpu i sicrhau ymateb effeithiol a diogel, rheoli pwysau ar wasanaethau, a mynd ati mewn modd dynamig i adolygu'r galw a materion sy'n benodol i'r ardal. At hynny, mae gennym Gynllun Diogelwch Clinigol, rydym yn cydweithio i wella llwybrau cleifion, ac rydym yn defnyddio Uwch-ymarferwyr Parafeddygol ar gyfer sgrinio clinigol cyn mynd i'r ysbyty er mwyn osgoi derbyniadau diangen.

% yr ymatebion lle roedd bywyd yn y fantol (coch) a lle llwyddwyd i gyrraedd cyn pen 8 munud



Trosglwyddiadau o'r ambiwlans i'r ysbyty yn cymryd mwy nag 1 awr a 4 awr, a chleifion yn aros mewn adrannau damweiniau ac achosion brys/unedau mân anafiadau

Ein prif nod yw cyflymu'r broses o drosglwyddo cleifion o ambiwlansys i staff ein hadrannau damweiniau ac achosion brys/hunedau mân anafiadau a lleihau'r amser y mae cleifion yn ei dreulio'n aros yn yr adrannau damweiniau ac achosion brys/unedau mân anafiadau.

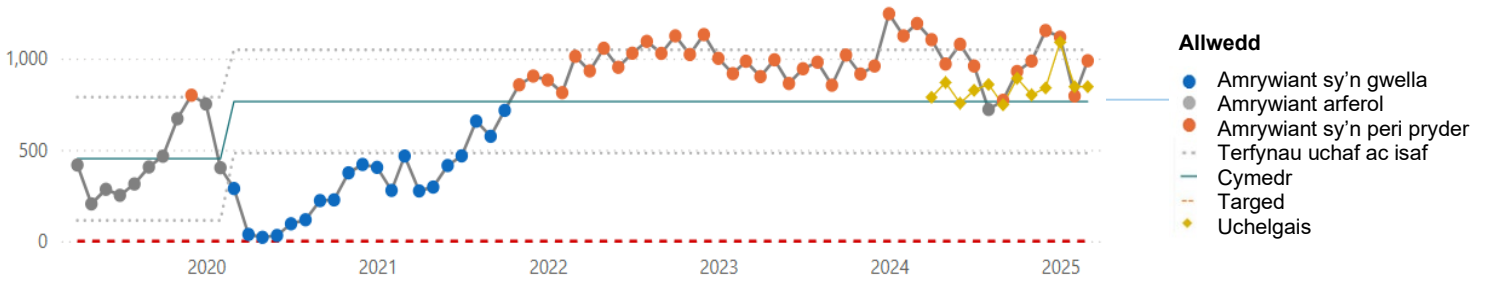
Yn 2024-25 roedd ein perfformiad yn amrywio ac ni wellodd gymaint ag yr oeddem yn gobeithio. Erbyn mis Mawrth 2025 roedd yna 988 o drosglwyddiadau ambiwlans a gymerodd dros awr (ein targed oedd sero) a 343 a gymerodd dros bedair awr (y targed oedd sero).

Fodd bynnag, bu i lai o gleifion aros mewn adrannau damweiniau ac achosion brys/unedau mân anafiadau am dros 4 a 12 awr. Treuliodd tua 69% o'r cleifion lai na 4 awr yno, ond roedd dros 1,412 o gleifion yn dal i aros dros 12 awr erbyn mis Mawrth 2025.

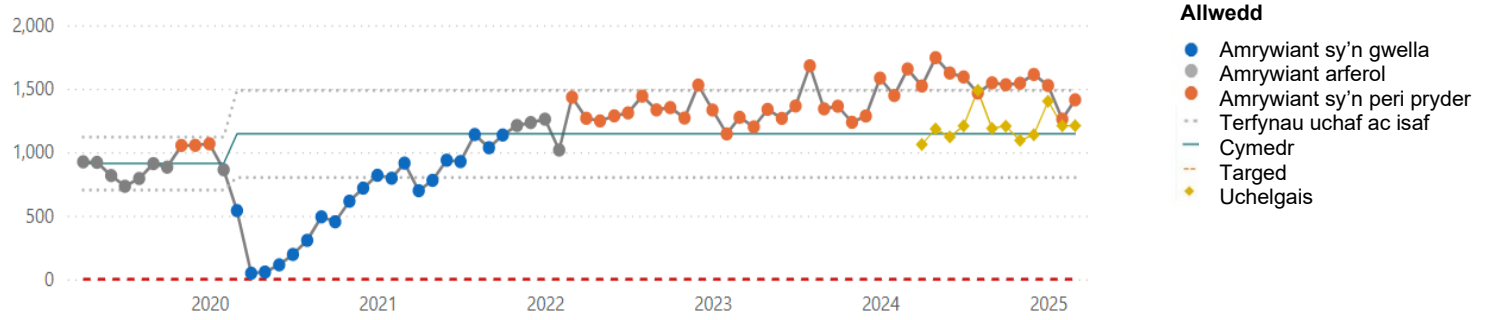
Rydym yn gweithio ar nifer o fentrau i leddfu'r pwysau ar ein hadrannau damweiniau ac achosion brys/hunedau mân anafiadau a gwella profiad cleifion:

- Mae gennym brotocolau ar gyfer blaenoriaethu trosglwyddiadau o ambiwlansys â blaenoriaeth uchel (Coch: 8 munud, Oren 1: 20 munud) er mwyn rhyddhau cerbydau'n gyflym.
- Mae'r llwybrau gofal brys a gofal mewn argyfwng ar yr un diwrnod wedi lleihau nifer y cleifion sy'n dod i mewn i'r adran damweiniau ac achosion brys/uned mân anafiadau.
- Rydym wedi sefydlu canolfannau gofal brys i adolygu atgyfeiriadau gan feddygon teulu a galwadau am ambiwlansys i weld a oes angen i'r cleifion fynd i'r ysbyty neu a allant gael gofal amgen.

Nifer y trosglwyddiadau o ambiwlansys sy'n cymryd dros awr



Nifer y cleifion sy'n treulio 12 awr neu fwy yn yr adran damweiniau ac achosion brys/uned mân anafiadau



Nifer y cleifion yn yr ysbyty sy'n profi oedi cyn cael eu rhyddhau

Rydym yn cynnal adolygiadau mewnol dyddiol i ddeall pam y mae yna oedi wrth ryddhau cleifion, ac yn ceisio datrys y materion hyn lle bo hynny'n bosibl. Er i nifer yr achosion o oedi wrth ryddhau cleifion ostwng ychydig o 220 ym mis Mawrth 2024 i 218 ym mis Mawrth 2025, y prif reswm am hyn oedd oedi wrth asesu. I fynd i'r afael â hyn, rydym wedi cynyddu nifer yr Aseswyr Dibynadwy, sy'n gweithio i atal oedi trwy chwalu rhwystrau sy'n arafu'r broses o atgyfeirio cleifion i dimau neu wasanaethau eraill.

Mae'r Bwrdd Iechyd ac awdurdodau lleol yn cwrdd yn wythnosol i drafod a monitro camau gweithredu yn achos cleifion sydd wedi profi oedi wrth gael eu rhyddhau a chleifion y bu eu harhosiad yn yr ysbyty yn hwy na'r disgwyl. Rydym yn parhau i weithio'n agos gydag awdurdodau lleol a phartneriaid yn y trydydd sector a'r sector annibynnol, megis cartrefi gofal ac ymddiriedolaeth GIG Gwasanaeth Ambiwlans Cymru, i sicrhau llif cleifion hwylus, trosglwyddiadau diogel, a gwell gofal cymunedol.

4.3.2 Canser

% y cleifion ar y llwybr canser unigol sy'n dechrau triniaeth cyn pen 62 diwrnod

Ein nod yw cynyddu canran y cleifion sy'n dechrau ar eu triniaeth ddiffiniol gyntaf cyn pen 62 diwrnod i'r adeg yr amheuir gyntaf fod canser arnynt. Yn ystod y 12 mis diwethaf, mae ein perfformiad wedi amrywio ac nid ydym wedi cyflawni'r targed cenedlaethol o 75%. Fodd bynnag, o ganlyniad i amrywiaeth o gamau gwella, rydym wedi gweld arwyddion calonogol o welliant yn y perfformiad yn ystod y misoedd diwethaf, gyda pherfformiad mis Mawrth yn cyrraedd y lefel uchaf ar gyfer y flwyddyn, sef 65.4%.

Rydym yn cael tua 2,000 o atgyfeiriadau bob mis ar gyfartaledd. Y llwybrau wroleg a rhan isaf y llwybr gastroberfeddol sy'n parhau i fod â'r lefelau uchaf o gleifion yn aros dros 62 diwrnod rhwng cael eu hatgyfeirio a chael triniaeth. Prinder galluedd a staff yn ein gwasanaethau radioleg ddiagnostig sydd wedi peri'r heriau mwyaf i'n huchelgeisiau i alluogi gofal amserol i'n cleifion sydd ar y llwybr canser, a rhoddwyd cynlluniau adfer ar waith ledled pob llwybr canser i gynyddu canran y cleifion sy'n dechrau ar driniaeth cyn pen 62 diwrnod, gyda buddsoddiad a chapasiti ychwanegol yn cael eu cyfeirio at ein meysydd gwasanaeth sy'n wynebu'r her fwyaf. Byddwn yn parhau â'r ffocws hwn yn ystod 2025-26 wrth i ni geisio gwella ein perfformiad a phrofiad ein cleifion ymhellach.

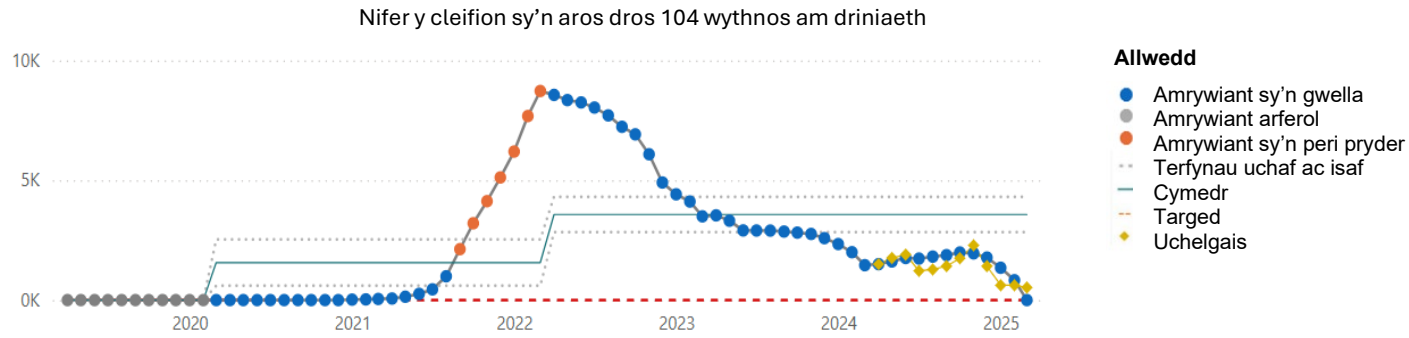
4.3.3 Gofal wedi'i gynllunio, diagnosteg a therapïau

Arosiadau o dros 52 wythnos am apwyntiadau cleifion allanol newydd
Arosiadau o dros 52 wythnos rhwng atgyfeiriad a thriniaeth
Arosiadau o dros 104 wythnos rhwng atgyfeiriad a thriniaeth
Apwyntiadau dilynol a gafodd eu hoedi dros 100% o'r dyddiad targed

Ein prif nod yw lleihau'r amseroedd aros hiraf ar gyfer ein cleifion. Ym mis Awst 2024, bu i ni ddileu arosiadau dros dair blynedd, gan barhau â'n hymdrechion i wella hyd at fis Mawrth 2025. Erbyn hynny, roeddem yn un o ddim ond dau fwrdd iechyd yng Nghymru i sicrhau nad oedd unrhyw gleifion yn aros yn hirach na dwy flynedd am driniaeth, ac nad oedd unrhyw gleifion yn aros yn hirach na blwyddyn am apwyntiad claf allanol newydd, ac roedd gennym y nifer isaf o gleifion yn aros dros flwyddyn am driniaeth o gymharu â gweddill Cymru.

Er bod nifer y cleifion sy'n aros am apwyntiad claf allanol dilynol yn llawer is nag mewn mannau eraill yng Nghymru, parhaodd nifer y cleifion y gohiriwyd eu hapwyntiad dilynol 100% yr un fath trwy gydol y flwyddyn, gan gyrraedd cyfanswm o 16,504 ym mis Mawrth 2025. Fodd bynnag,

gwnaeth ein timau clinigol gynnydd sylweddol trwy weithredu dulliau newydd ac arloesol o adolygu cleifion, gan gynnwys y defnydd helaeth o lwybrau 'Gweld pan fydd Symptomau (SOS)' ac 'Apwyntiadau Dilynol a Ysgogir gan y Claf' (PIFU). Mae'r llwybrau hyn yn caniatáu i gleifion gysylltu â'n timau pan fydd eu symptomau neu eu cyflyrau'n newid.



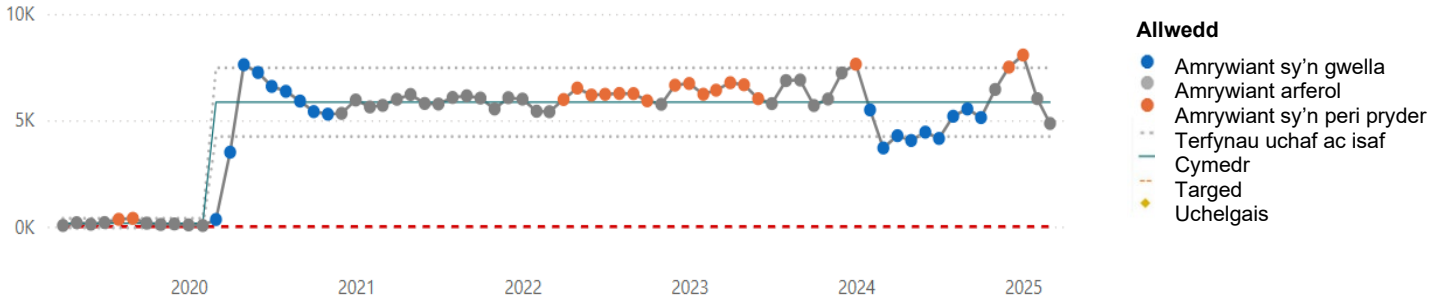
Cleifion Offthalmoleg R1 (risg uchel) yn mynd i apwyntiadau heb oedi sylweddol oddi ar eu dyddiad targed (oedi o ddim mwy na 25% y tu hwnt i'w dyddiad targed)

Ein prif nod yw cynyddu canran y cleifion offthalmoleg risg uchel (R1) sy'n mynd i'w hapwyntiadau heb oedi sylweddol o gymharu â'u dyddiad targed (oedi o ddim mwy na 25% y tu hwnt i'w dyddiad targed). Yn anffodus, nid oeddem wedi cyflawni hyn, gyda 57.5% o'r apwyntiadau R1 yn cael eu cynnal o fewn yr oedi o 25% erbyn mis Mawrth 2025.
Mae heriau o ran y gweithlu wedi cyfyngu ar ein capasiti ar gyfer cleifion R1 â glawcoma a'r rheiny y mae arnynt angen Therapi Chwistrellu Mewnwydrog (IVT). Er mwyn gwella perfformiad, rydym yn gweithio ar sawl cam, gan gynnwys dull a rennir rhwng timau gofal llygaid optometryddion yn yr ysbyty ac yn y gymuned, gwelliannau i'r llwybr cleifion glawcoma, recriwtio staff, a hyfforddiant. At hynny, darparodd cyllid byrdymor apwyntiadau ychwanegol yn y sector preifat i rai cleifion IVT ddiwedd 2024-25. Rydym yn disgwyl i fuddsoddiad arfaethedig mewn man pwrpasol hirdymor ar gyfer apwyntiadau offthalmoleg yn ein Bwrdd Iechyd yn ystod 2025-26 gael effaith gadarnhaol ar berfformiad cyffredinol R1.

Nifer y cleifion sy'n aros am 8 wythnos neu fwy am brawf diagnostig penodol

Ein nod yw sicrhau nad fydd yr un claf yn aros am 8 wythnos neu fwy i gael prawf diagnostig. Ni chyflawnwyd hyn, ac erbyn diwedd mis Mawrth 2025 roedd 4,851 o gleifion yn aros. Y gwasanaethau diagnostig sydd â'r nifer mwyaf o gleifion yn aros dros 8 wythnos yw radioleg (4,587), cardioleg (150), ac endosgopi (72).

Nifer y cleifion sy'n aros mwy nag 8 wythnos am ddiagnosteg benodol



Roedd y galw am radioleg yn fwy na'r chapasiti, yn enwedig o ran uwchsain anobstetrig, MRI, a CT, gan arwain at fwy o gleifion yn aros dros 8 wythnos. Bu i'r prinder staff hefyd effeithio ar y gwasanaethau uwchsain obstetrig. Ers mis Rhagfyr 2024, mae perfformiad wedi gwella diolch i gamau adfer megis ychwanegu mwy o gapasiti uwchsain, uned MRI symudol, radiolegwyr ymgynghorol locwm, a staff asiantaeth ychwanegol.

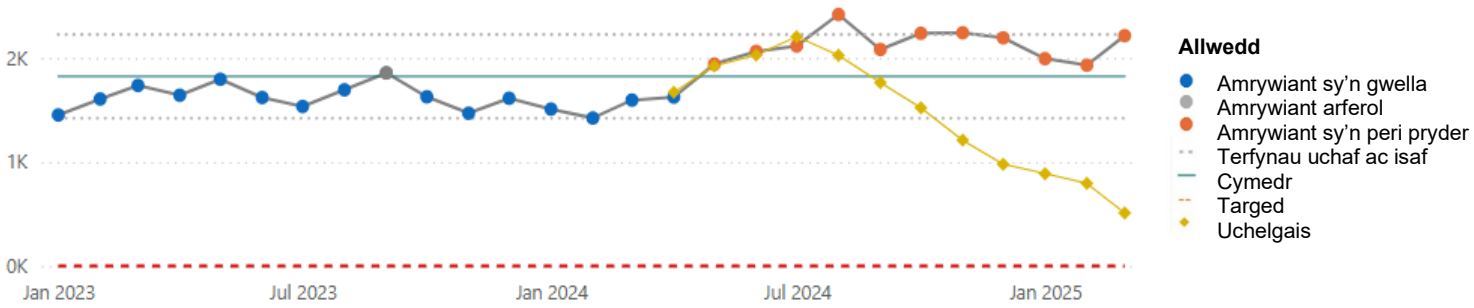
Roedd y galw'n uwch na'r capasiti ym maes cardioleg hefyd. Ym maes ecocardiograffeg roedd angen cynlluniau amgen i fynd i'r afael â bylchau staffio. Adolygwyd cynlluniau swyddi cardiolegwyr ac maent yn parhau i gael eu haddasu i leihau nifer y cleifion sy'n aros dros 8 wythnos. Bu i ni hefyd ddod â ffisiolegwyr ychwanegol i mewn i helpu i ateb y galw am wasanaeth monitro cyfradd curiad y galon a phwysedd gwaed.

Yn flaenorol, roedd y galw am wasanaethau cardioleg yn fwy na'r capasiti i ddarparu mynediad amserol. Dros y flwyddyn ddiwethaf, aethom ati i flaenoriaethu buddsoddiad ychwanegol i gynyddu capasiti. Bellach mae capasiti'r gwasanaeth yn cyfateb i'r galw a ragwelir.

Nifer y cleifion sy'n aros am 14 wythnos neu fwy am therapi penodol

Ein prif nod yw lleihau nifer y cleifion sy'n aros 14 wythnos neu fwy am therapi penodol i 510 erbyn 31 Mawrth 2025. Yn anffodus, ni fu i ni gyflawni'r nod hwn, ac roedd y nifer gwirioneddol yn 2,216 ym mis Mawrth 2025. Roedd y niferoedd uchaf o gleifion a oedd yn aros 14 wythnos neu fwy yn y meysydd ffisiotherapi (1,192), podiatreg (570), a therapi galwedigaethol (322).

Nifer y cleifion (o bob oed) sy'n aros mwy nag 14 wythnos am therapi penodol (ac eithrio Awdioleg)



Roedd y gwasanaeth ffisiotherapi yn wynebu heriau o ran recriwtio staff i'r gwasanaethau cymunedol a chyhyrysgerbydol, gyda'r galw'n fwy na'r capasiti yn 2024-25. I fynd i'r afael â hyn, rydym wedi lansio ymgyrch recriwtio dargededig, wedi datblygu system banc staff fyrdymor, wedi defnyddio staff asiantaeth i gyflenwi ar gyfer swyddi gwag, ac wedi dechrau cynllun peilot i frysbennu cleifion cyhyrysgerbydol dros y ffôn er mwyn eu harwain at adnoddau hunanofal.

Mae'r gwasanaeth podiatreg hefyd wedi cael trafferth wrth recriwtio staff ac o ran galw cynyddol, a hynny o ganlyniad i broblemau diabetig a fasgwlaidd cronig y traed trwy gydol 2024-25. Rydym yn cymysgu sgiliau ymhlith y staff presennol ar draws pob maes podiatreg, yn recriwtio i lenwi swyddi gwag, yn rheoli rhestrau aros cleifion, ac yn cynnal clinigau galw heibio mynediad agored (dim angen apwyntiad) ar gyfer problemau risg uchel yn ymwneud â'r coesau a'r traed. Mae ein gwasanaeth brysbennu dros y ffôn wedi cael ei groesawu, gan ganiatáu mynediad cyflymach a gwneud y mwyaf o'r capasiti.

Yn achos therapi galwedigaethol, mae yna ôl-groniad mawr o gleifion pediatreg, sy'n cael ei waethygu oherwydd salwch ymhlith y staff. Rydym wedi parhau i flaenoriaethu cleifion, rheoli salwch staff yn unol â pholisi, a recriwtio i fynd i'r afael â'r prinder capasiti.

4.3.4 Iechyd meddwl

% oedolion a phlant sy'n cael asesiad iechyd meddwl o fewn 28 diwrnod i'r atgyfeiriad

Ein nod yw cynyddu canran yr oedolion a'r plant sy'n cael asesiad iechyd meddwl o fewn 28 diwrnod i gael eu hatgyfeirio, gan anelu at y targed cenedlaethol a'n huchelgais ein hunain o 80%. Erbyn diwedd mis Mawrth, roedden ni wedi cyrraedd y targed cenedlaethol ac wedi cyflawni ein hamcanion perfformiad ar gyfer mis Mawrth 2025:

• 96.2% ar gyfer oedolion ym mis Mawrth 2025
• 98.4% ar gyfer plant ym mis Mawrth 2025

Er gwaethaf yr heriau o ran recriwtio, absenoldeb staff, a llety, rydym yn parhau i wella effeithlonrwydd trwy ddefnyddio System Gweinyddu Cleifion Cymru (WPAS) i gofnodi'r holl weithgarwch clinigol. Mae hyn yn helpu gyda chynllunio ar gyfer galw a chapasiti. Rydym hefyd wedi sefydlu trefniadau mynediad, wedi cyflwyno llwyfannau digidol, wedi cynnig gwaith grŵp unigol ac ar-lein, ac wedi cynnal cyfarfodydd monitro contractau â darparwyr allanol. Caiff atgyfeiriadau eu hasesu o ran risg i flaenoriaethu achosion brys.

% oedolion a phlant sy'n dechrau ymyriadau therapiwtig o fewn 28 diwrnod yn dilyn asesiad Gwasanaeth Cymorth Iechyd Meddwl Sylfaenol Lleol (LPMHSS)

Ein nod yw cynyddu canran yr oedolion a'r plant sy'n dechrau ymyriadau therapiwtig o fewn 28 diwrnod ar ôl asesiad LPMHSS, er mwyn cyflawni'r targed cenedlaethol a chyflawni ein huchelgais ein hunain o 80%. Erbyn diwedd mis Mawrth, roedden ni wedi cyrraedd y targed cenedlaethol ac wedi cyflawni ein hamcanion ar gyfer mis Mawrth 2025:

- 96.7% ar gyfer oedolion ym mis Mawrth 2025
- 90.4% ar gyfer plant ym mis Mawrth 2025

Rydym yn cadw llygad barcud ar berfformiad i sicrhau bod cleifion yn cael apwyntiad cychwynnol cyn pen 28 diwrnod, yn gosod nodau, ac yn cytuno ar gamau hunanreoli, ac mae ymyriad pellach yn cael ei drefnu yn ôl yr angen. Rydym wedi cyflwyno grwpiau Therapi Gwybyddol Ymddygiadol (CBT) i oedolion ac yn treialu rhaglenni grŵp i blant a phobl ifanc, sy'n cynnwys gwaith grŵp ac unigol ar-lein. Mae'r heriau'n cynnwys absenoldeb staff, galw cynyddol, a mynediad at ystafelloedd mewn meddygfeydd teulu neu leoliadau addas eraill. Fodd bynnag, rydym wedi rhoi system

newydd ar waith ar ôl adolygu'r llwybrau gofal ledled y gwasanaeth, a hynny er mwyn gwella'r broses oruchwylio a sicrhau ein bod yn cadw ar y trywydd iawn.

% oedolion sy'n aros llai na 26 wythnos am therapi seicolegol

Ein nod yw cynyddu canran yr oedolion sy'n aros llai na 26 wythnos am therapi seicolegol, gan anelu at y targed cenedlaethol o 80% a'n huchelgais ein hunain o 61%. Erbyn diwedd mis Mawrth, roedden ni wedi methu â chyflawni ein huchelgais o drwch blewyn, ac ni chyflawnwyd y targed cenedlaethol: 59.8% ym mis Mawrth 2025, o'i gymharu â 48.5% ym mis Mawrth 2024.

Mae'r gwelliant yn gysylltiedig â chyflwyno therapïau grŵp yn rhan o daith y claf mewn perthynas â therapïau seicolegol, cynnig sesiynau un i un pan fo angen, darparu sesiynau o bell, a recriwtio i lenwi swyddi gwag. Rydym hefyd wedi mabwysiadu menter 'Meithrin Nyrsys' i fynd i'r afael â heriau hirdymor o ran y gweithlu. Mae'r heriau'n cynnwys absenoldeb staff a nifer uwch o achosion cymhleth, gan gynnwys achosion llys yn ymwneud â gwaith diogelu. I reoli'r rhain, rydym wedi cyfuno'r rhestr aros ledled y tair sir ac wedi defnyddio ymarferwyr ar draws y gwasanaeth i flaenoriaethu'r achosion mwyaf brys.

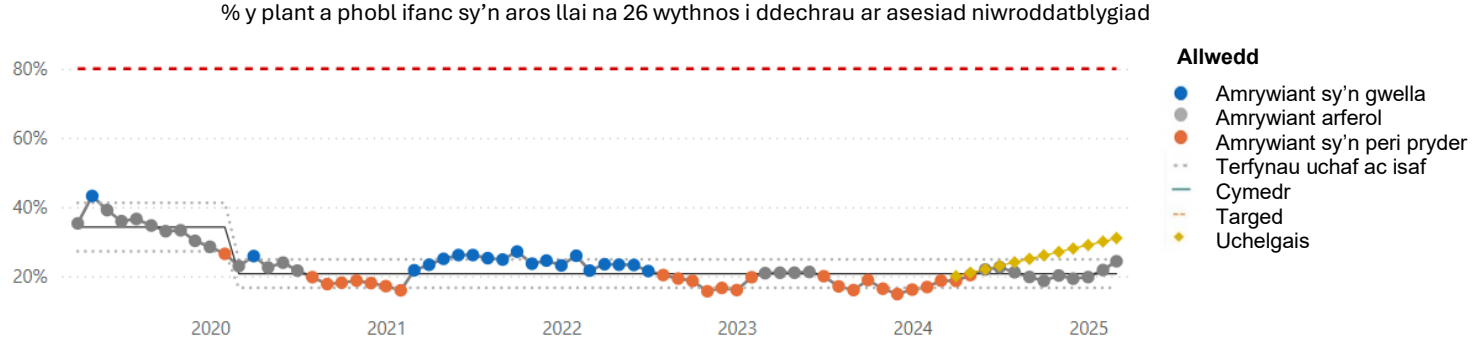
4.3.5 Niwroddatblygiadol

% o blant sy'n aros llai na 26 wythnos am asesiad niwroddatblygiadol

Ein nod yw cynyddu canran y plant sy'n aros llai na 26 wythnos am asesiad niwroddatblygiad, er mwyn cyflawni'r targed cenedlaethol o 80% a'n huchelgais o 31%. Ar ddiwedd mis Mawrth, ni wnaethom gyrraedd ein huchelgais na'r targed cenedlaethol: cyflawni 24.3%.

Mae asesiadau ar gyfer Anhwylder Diffyg Canolbwyntio a Gorfywiogrwydd (ADHD) ac Anhwylder y Sbectrwm Awtistiaeth (ASD) ymhlith plant a phobl ifanc yn cael eu hoedi oherwydd y cynnydd parhaus yn nifer yr atgyfeiriadau, sy'n cynnwys cynnydd o 100% yn nifer yr asesiadau ADHD yn ystod y flwyddyn ddiwethaf. Mae gennym broses gadarn ar waith i ddyrannu a monitro llwythi achosion, ac rydym wedi mapio'r llwybrau cyfredol yn ddiweddar i sicrhau effeithlonrwydd. Rydym yn archwilio modelau newydd i leihau'r galw ac wedi cyflwyno llwyfannau digidol. Rydym yn hyrwyddo diwylliant o 'Feithrin Nyrsys' ac wedi cyflwyno cymysgedd sgiliau i'n timau er mwyn ennyn rhagor o ddiddordeb mewn rolau arbenigol i fynd i'r afael â'r heriau hirdymor o ran y gweithlu.

Tra bo cleifion yn aros am asesiad, rydym yn anfon llythyrau 'cadw mewn cysylltiad' at rieni a gofalwyr, sy'n cynnwys ffynonellau cymorth. Rydym hefyd yn cynnal hybiau Cyngor Awtistiaeth wythnosol i roi cyngor a chymorth ac yn cynnig gweithdai pwrpasol, ac mae gennym nyrs arbenigol i gefnogi plant a phobl ifanc agored i niwed.



Er gwaethaf ein cynnydd yn unol â'r mesurau a ddisgrifir uchod, rydym yn cydnabod bod yr amseroedd aros yn rhy hir ac rydym yn parhau i ganolbwyntio ar eu lleihau.

4.3.6 Rheoli heintiau

C. difficile: Nifer yr achosion a gadarnhawyd yn y labordy (yn ystod y mis)
E. coli: Nifer yr achosion o haint yn llif y gwaed a gadarnhawyd yn y labordy (yn ystod y mis)
S. aureus: Nifer yr achosion o haint yn llif y gwaed a gadarnhawyd yn y labordy (yn ystod y mis)

Ein nod yw dileu pob haint y gellir ei osgoi, ac rydym wedi bod yn gweithio'n galed i leihau nifer yr achosion o haint Clostridioides difficile (C. difficile), ynghyd â nifer yr achosion o heintiau Escherichia coli (E. coli) a Staphylococcus aureus (S. aureus) yn llif y gwaed. Ledled Cymru, bu i nifer yr achosion o C. difficile ac S. aureus gynyddu yn ystod 2024-25, a bu i nifer yr achosion o E. coli ostwng. Yn ardal Hywel Dda, bu cynnydd o 21% (23 o achosion) yn nifer yr achosion o S. aureus o gymharu â 2023-24; cafodd 70% o'r heintiau llif gwaed hyn eu dal yn y gymuned, o gymharu â 39 achos yn yr ysbyty.

Cawsom 184 o achosion o C. difficile eleni, sef dau yn fwy na'r llynedd; daliwyd 42% o'r rhain yn yr ysbyty. Cafodd 380 o gleifion ddiagnosis o E. coli eleni, sy'n welliant ar y llynedd, gydag 84% o'r rhain yn cael eu dal yn y gymuned.

Mae'r nifer mawr o gleifion yn ein hysbytai, ynghyd â'n hystad sy'n heneiddio, wedi golygu ei bod yn heriol cadw'r amgylchedd yn lân, sy'n cynyddu'r risg o haint. Rydym yn mynd i'r afael â hyn trwy newid ein prosesau a'n cynhyrchion glanhau ym mhob un o'n ardaloedd cleifion mewnol. Yn rhan o'n cynllun gwella heintiau a ddelir wrth gael gofal iechyd (HCAI), rydym yn canolbwyntio ar leihau nifer yr achosion o C. difficile a heintiau llif y gwaed a ddelir yn yr ysbyty. Mae hyn yn cynnwys rowndiau wythnosol gyda'r microbiolegydd a'r fferyllydd ar wardiau heintiau i sicrhau rheolaeth a thriniaeth gywir er diogelwch y cleifion, ynghyd â monitro'r defnydd o wrthfiotigau i sicrhau eu bod yn cael eu rhagnodi dim ond pan fo hynny'n angenrheidiol ac yn briodol. Mae hyn yn helpu i wella canlyniadau cleifion ac yn lleihau'r risg o wynebu digwyddiadau niweidiol o ganlyniad i ddefnyddio gwrthfiotigau.

Mae addysg a hyfforddiant yn hanfodol i sicrhau bod staff yn ymwybodol o arferion atal a rheoli heintiau. Rydym yn cynnal archwiliadau rheolaidd i sicrhau ein bod yn bodloni'r safonau.

Caiff pob HCAI ei adolygu mewn cyfarfodydd misol i ddod o hyd i'r achos ac i rannu gwersi er mwyn osgoi heintiau yn y dyfodol. Yn achos cleifion sydd â heintiau C. difficile a gadarnhawyd, rydym yn anfon llythyr at eu meddyg teulu i adolygu triniaethau â gwrthfiotigau yn y dyfodol, ac mae'r cleifion yn cael llythyrau a gwybodaeth i'w helpu i reoli eu haint gartref. Rydym hefyd yn gwella canlyniadau cleifion trwy gynyddu nifer y cleifion sy'n cael trawsblaniad microbiota ysgarthol (FMT) i atal achosion pellach o C. difficile.

Rydym yn monitro heintiau E. coli ledled y Bwrdd Iechyd ac yn parhau i addysgu staff sut i reoli a gofalu am ddyfeisiau. Rydym yn adolygu achosion a gafwyd yn yr ysbyty i ddysgu a rhannu gwybodaeth ledled y Bwrdd Iechyd.

Mae ein data'n dangos bod mwyafrif yr achosion o *C. difficile* yn cael eu dal mewn ysbytai, yn hytrach nag mewn cartrefi gofal neu ymhlith y boblogaeth gyffredinol. Mae tua hanner yr heintiau hyn yn cael eu dal yn yr ysbyty. I atal hyn, rydym yn defnyddio cynhyrchion DiffX ac anwedd hydrogen perocsid (HPV) i ddihalogi'r amgylchedd, gan weithio gyda'r cyfleusterau gwesty ac ystadau. Mae'r grŵp gwella *C. difficile* wedi cael ei sefydlu, sydd dan oruchwyliaeth y Dirprwy Gyfarwyddwr Meddygol, ac mae'n treiddio ymhellach i'r broses o bresgripsiynu gwrthfiotigau a rheoli *C. difficile*.

Mae'r data'n awgrymu bod mwyafrif yr achosion o heintiau *S. aureus* ac *E. coli* yn digwydd yn y gymuned, felly rydym yn canolbwyntio ar hybu iechyd a byw'n iachach yn ein negeseuon cymunedol. Rydym hefyd yn gweithio'n agos gydag Iechyd Cyhoeddus Cymru.

4.3.7 Y gweithlu

% y cyfraddau absenoldeb oherwydd salwch ymhlith staff

Yn y flwyddyn ddiwethaf, ni fu i ni gyflawni ein nod o leihau absenoldebau oherwydd salwch ymhlith y staff i'r targed o 4.79%. Ym mis Gorffennaf 2024, cynyddodd absenoldebau staff oherwydd salwch i 6.6%, ac mae wedi parhau ar y lefel honno ers hynny.

Gorbryder, straen ac iselder yw'r prif resymau dros absenoldebau hirdymor ar draws y rhan fwyaf o'n cyfarwyddiaethau, tra bo peswch, annwyd a'r ffliw yn brif resymau dros absenoldebau byrdymor.

Rydym wedi cychwyn rhaglen i adolygu meysydd lle mae'r cyfraddau salwch yn uchel. Rydym hefyd wedi cefnogi cynnydd o ran asesu risg straen er mwyn deall yn well y problemau y mae staff yn eu hwynebu. Mae Tîm ein Gweithlu wedi darparu cymorth â ffocws i helpu rheolwyr i ddeall y broses absenoldeb oherwydd salwch a'r ffordd orau o gefnogi staff, gan gynnwys creu cynlluniau gweithredu pwrpasol a chynnig hyfforddiant ychwanegol.

4.3.8 Sefyllfa ariannol diwedd y flwyddyn

Ein cynllun yn 2024-25 oedd cwrdd â diffyg o £31.5m erbyn diwedd y flwyddyn ariannol, gyda tharged arbedion o £32.4m, yn dilyn derbyn cyllid o £32.5m yn ystod y flwyddyn. Alldro diwedd y flwyddyn a adroddwyd gan y Bwrdd Iechyd yw £24.1m. Mae ein ffigurau diwedd blwyddyn yn destun archwiliad a gallent newid, felly nid ydynt yn derfynol eto.

Mae'r camau nesaf a'r camau lliniaru canlynol yn cael eu dilyn ar draws portffolios cyfarwyddwyr gweithredol, gydag adolygiadau parhaus ar waith trwy drafodaethau uwchgyfeirio'r Tîm Gweithredol i werthuso'r wybodaeth ddiweddaraf am gynnydd ac effaith a lleihau'r risg o ran cynllun blynyddol 2025-26.

1) Bydd y diffyg sylfaenol ar gyfer 2024-25 a gariwyd ymlaen i'r flwyddyn ariannol newydd yn dirywio oherwydd yr arbedion disgwyliedig nas cyflawnwyd (gan achosi diffyg) a'r tanwariannau annisgwyl yn ystod y flwyddyn. Ni ellir ailadrodd £17.6m o arbedion a gyflawnwyd yn 2024-25 yn y flwyddyn ariannol newydd gan eu bod yn gysylltiedig â chyfarwyddiaethau sy'n tanwario. Mae hyn yn bwysau ar gyfer dechrau cynllun ariannol y flwyddyn nesaf os na chaiff ei ymdrin. Mae trafodaethau gweithredol yn parhau i nodi sut y bydd yr arbedion o £25.4m yn ystod y flwyddyn yn cael eu cyflawni.

2) Mae ein Cynllun Blynyddol 2025-26 wedi'i gyflwyno i Lywodraeth Cymru gyda gofynion cyflawni arbedion parhaus o £19.0m. Mae risg yn debygol o fod ynghlwm wrth drosi syniadau yn gynlluniau cadarn i gyflawni'r arbedion (£12.0m o'r £19.0m) ar gyflymder, ochr yn ochr ag asesiadau ychwanegol o gyfarwyddiaethau sy'n tanwario i'w trosi'n arbedion o flwyddyn i flwyddyn, a chamau pellach i wella ar y terfyn gwariant terfynol y cytunwyd arno gan Lywodraeth Cymru (cyfanswm rheoli targed).

3) Mae'r Prif Swyddog Gweithredol wedi gweithredu fframwaith uwchgyfeirio mewnol i graffu ar lefelau perfformiad ar gyfer chwe maes. Ar gyfer y maes cyllid, strategaeth a chynllunio, mae 14 cyfarwyddiaeth ar hyn o bryd wedi'u huwchgyfeirio i lefel 3 (dim sicrwydd). Mae angen cynllun adfer brys gan bob un.

4) Cyflenwad meddygol ychwanegol a phremiwm – parhau i ddefnyddio locwm premiwm ac asiantaeth i orchuddio salwch, cynllunio rota gwyliau blynyddol, a bylchau o fewn rhestrau gwaith. Mae angen strategaethau ymadael ar gyfer dibynnu ar orchudd premiwm i gefnogi cynaliadwyedd gwasanaeth a chyflawni blaenoriaethau gweinidogol.

5) Mae llythyrau atebolrwydd o'r disgwyliadau arbedion wedi'u hanfon at gyfarwyddwyr gweithredol, arweinwyr grŵp gofal clinigol / swyddogaethau gweithredol, gyda dyddiad cau ar gyfer eu dychwelyd o 31 Mawrth 2025.

Am fwy o fanylion, gweler yr adran Cyfrifon Ariannol yn yr adroddiad hwn.

4.3.9 Twyll, gwrthlygredigaeth a gwrthlwgrwobrwyo

Mae gennym ddau Arbenigwr Gwrth-dwyll Lleol Achrededig, ynghyd â Pholisi Gwrth-dwyll, darllenwch yma.

Mae'r polisi hwn, ynghyd â hyfforddiant staff a gweithgareddau hyrwyddo, yn amlinellu ein strategaeth i ymladd twyll. Mae'n cyd-fynd â safonau Awdurdod Atal Twyll y GIG (NHSCFA) a'r Llywodraeth.

Mae ein cynllun gwaith blynyddol yn cwmpasu pedwar prif faes:

- **Hysbysu a Chynnwys:** Meithrin ymwybyddiaeth o dwyll yn y GIG a hyrwyddo diwylliant gwrth-dwyll cadarn.
- **Atal a Rhwystro:** Adolygu a gwella rheoliadau i atal twyll, llwgrwobrwyo, a llygredigaeth.
- **Dwyn i Gyfrif:** Cofnodi ac ymchwilio i achosion o dwyll, llwgrwobrwyo a llygredigaeth, a dwyn pobl i gyfrif lle profir bod yna gamymddwyn.
- **Llywodraethu Strategol:** Adrodd am ein harferion llywodraethu a'u hamlygu.

Cymeradwyir y cynllun gwaith gan ein Cyfarwyddwr Cyllid a Chadeirydd ein Pwyllgor Archwilio a Sicrwydd Risg. Rydym yn darparu diweddariadau deufisol i'r pwyllgor ac ystadegau chwarterol i Lywodraeth Cymru. Mae hunanadolygiad blynyddol yn cael ei gynnal hefyd a'i fonitro gan yr NHSCFA.

Gallwch ddarllen ein hadroddiadau a'n cynlluniau gwaith yma

5. Llesiant cenedlaethau’r dyfodol

Mae Deddf Llesiant Cenedlaethau'r Dyfodol (Cymru) 2015 yn nodi dyletswyddau ar gyfer 56 o gyrff cyhoeddus (44 yn wreiddiol), yn cynnwys byrddau iechyd. Mae ein Bwrdd Iechyd yn rhan o dri *Bwrdd Gwasanaethau Cyhoeddus yn Sir Gaerfyrddin, Ceredigion a Sir Benfro (*ceir disgrifiad manylach isod).

Ein hamcanion llesiant yw ein cynlluniau hirdymor i roi Deddf Llesiant Cenedlaethau'r Dyfodol (Cymru) 2015 ar waith. Mae'r nodau hyn yn cwmpasu nifer o amcanion cenedlaethol ac yn cyd-fynd yn dda â'n cynlluniau strategol a gweithredol, yn ogystal â chynlluniau llesiant ein Bwrdd Gwasanaethau Cyhoeddus. Cliciwch yma i gael rhagor o wybodaeth am Ddeddf Llesiant Cenedlaethau'r Dyfodol (Cymru) – Bwrdd Iechyd Prifysgol Hywel Dda

Rydym yn gweithio agos gyda'n tri Bwrdd Gwasanaethau Cyhoeddus a Bwrdd Partneriaeth Rhanbarthol Gorllewin Cymru i ddatblygu gwasanaeth gofal cymunedol integredig cadarn ar gyfer Cymru, gan roi gwell ansawdd bywyd i bobl.

Ym mis Mawrth, enillodd ein Tîm Llesiant Dementia (yn y llun ar y dde) Wobr Dewis y Bobl a'r Trydydd Sector yng Nghynhadledd Bwrdd Partneriaeth Ranbarthol Gorllewin Cymru 2025.

Nod pob Bwrdd Gwasanaethau Cyhoeddus yw lleihau anghydraddoldebau, annhegwch a thlodi trwy gyfrwng pedwar maes blaenoriaeth. Fe'u crëwyd o dan Ddeddf Llesiant Cenedlaethau'r Dyfodol (Cymru) 2015 i wella llesiant eu cymunedau trwy gydweithio ar draws y gwasanaethau cyhoeddus. Caiff Byrddau Gwasanaethau Cyhoeddus eu goruchwylio gan Gomisiynydd Llesiant Cenedlaethau'r Dyfodol, Archwilio Cymru, a phwyllgorau awdurdodau lleol.

Rhaid iddynt greu cynlluniau llesiant yn seiliedig ar asesiadau lleol, a ddiweddarwyd ddiwethaf yn 2022, gan anelu at gyflawni saith nod llesiant cenedlaethol.

Cyhoeddwyd y cynlluniau llesiant diweddaraf yn 2023 am gyfnod o dair blynedd, ac maent ar gael isod:

- Cliciwch yma i weld Asesiad a chynllun llesiant lleol Bwrdd Gwasanaethau Cyhoeddus Sir Gaerfyrddin
- Cliciwch yma i weld Asesiad a chynllun llesiant lleol Bwrdd Gwasanaethau Cyhoeddus Ceredigion
- Cliciwch yma i weld Asesiad a chynllun llesiant lleol Bwrdd Gwasanaethau Cyhoeddus Sir Benfro

Yn 2024-25, cyflawnodd y Byrddau Gwasanaethau Cyhoeddus nifer o gerrig milltir allweddol:

Sir Gaerfyrddin:
rhoddwyd dull 'Sicrhau bod Pob Cyswllt yn Cyfrif' ar waith, gan ganolbwyntio ar wella arferion a hyfforddiant, a chan archwilio cyd-bresenoldeb ar v we a rhannu data.

Ceredigion:
ffurfiwyd grŵp 'Gwaith Teg' i greu siarter a datblygu pecyn cymorth i fynd i'r afael â stigma tlodi.

Sir Benfro:
cynhaliwyd Uwchgynhadledd Tlodi lle cafwyd cyfraniadau gan amrywiol sefydliadau, gan gynnwys Sefydliad Bevan a National Energy Action Cymru, i drafod profiadau bvwvd o dlodi.

Mae anghydraddoldebau iechyd yn parhau i fodoli, ochr yn ochr ag argyfyngau hinsawdd a natur. Er mwyn gwella iechyd a llesiant y cyhoedd, mae angen i ni gydweithio i fynd i'r afael â materion megis tlodi, problemau amgylcheddol, tai o ansawdd gwael ac ynysigrwydd cymdeithasol. Manylir isod ar ein cynnydd yn unol â phob un o'r amcanion a'n cynllun i adolygu a gwella ein hamcanion llesiant yn ystod 2024-25.

Cynllun Llesiant Bwrdd Gwasanaethau Cyhoeddus Sir Gaerfyrddin 2023-28 - Amcanion Llesiant	
Sicrhau economi gynaliadwy a chyflogaeth deg	
Gwella lles a lleihau anghydraddoldebau iechyd	
Ymateb i'r argyfyngau hinsawdd a natur	
Mynd i'r afael â thlodi a'i effeithiau	
Helpu i greu cymunedau dwyieithog, diogel ac amrywiol	

Cynllun Llesiant Bwrdd Gwasanaethau Cyhoeddus Ceredigion 2023-28 - Amcanion Llesiant	
Gweithio gyda'n gilydd i sicrhau economi gynaliadwy sydd o fudd i bobl leol ac sy'n adeiladu ar gryfderau Ceredigion.	
Gweithio gyda'n gilydd i leihau anghydraddoldebau yn ein cymunedau a defnyddio atebion cymdeithasol a gwyrdd i wella iechyd corfforol a meddyliol.	
Gweithio gyda'n gilydd i ddarparu mentrau datgarboneiddio yng Ngheredigion i ddiogelu a gwella ein hadnoddau naturiol.	
Gweithio gyda'n gilydd i alluogi cymunedau i deimlo'n ddiogel ac yn gysylltiedig a bydd yn hyrwyddo amrywiaeth ddiwylliannol ac yn cynyddu cyfleoedd i ddefnyddio'r Gymraeg.	

Cynllun Llesiant Bwrdd Gwasanaethau Cyhoeddus Sir Benfro 2023-28 - Amcanion Llesiant	
Cefnogi twf, swyddi a ffyniant a galluogi'r trawsnewidad i economi fwy cynaliadwy a gwyrddach	
Gweithio gyda'n cymunedau i leihau anghydraddoldebau a gwella llesiant	
Hyrwyddo a chefnogi mentrau i ddarparu datgarboneiddio, rheoli addasu i'r hinsawdd a mynd i'r afael â'r argyfwng natur	
Galluogi cymunedau diogel, cysylltiedig, dyfeisgar ac amrywiol	

Cyflawnir ein hamcanion llesiant trwy waith caled ein staff a'n partneriaid sydd, gyda'i gilydd, yn cefnogi, yn cynnal ac yn gwella llesiant pobl. Dyma enghreifftiau:

Mae ein Hadroddiad Blynyddol ar Amcanion Llesiant 2022-23 ar gael i'w ddarllen yma. Mae'n darparu manylion am ein perfformiad o gymharu â'n hwyth amcan llesiant, gan gynnwys astudiaethau achos sy'n dangos y cysylltiad rhwng yr amcanion hyn â'n hamcanion strategol a chynllunio cyffredinol.

Mae hefyd yn dangos y modd yr ydym yn anelu at well integreiddio trwy gydweithio â phartneriaid, cynnwys y cyhoedd a rhanddeiliaid mewn cynlluniau hirdymor i ddiwallu anghenion ein cymuned, canolbwyntio ar atal afiechyd, a chydweithio â byrddau iechyd ac ymddiriedolaethau eraill ledled y GIG yng Nghymru a'r sector cyhoeddus ehangach.

Byddwn yn adolygu ein hamcanion llesiant yng ngwanwyn 2025 i sicrhau eu bod yn parhau i adlewyrchu ein gwerthoedd sefydliadol a'n hamcanion strategol.

Rydym yn llywio newid tuag at Fodel Cymdeithasol ar gyfer Iechyd a Llesiant gan ganolbwyntio ar gamau i leihau anghydraddoldebau iechyd a galluogi pobl a chymunedau i gyflawni a chynnal yr iechyd gorau posibl. Mae'r model hwn yn canolbwyntio ar atal, canfod clefydau'n gynnar, ac ymyriad amserol.

Rydym wedi cytuno ar chwe egwyddor i atgyfnerthu ein hymrwymiad a helpu partneriaid a sefydliadau i fabwysiadu'r model hwn. Amlinellir yr egwyddorion mewn siarter sy'n cysylltu â'n hamcanion llesiant

Egwyddor 1 Bydd Model Cymdeithasol ar gyfer Iechyd a Llesiant yn ategu ac yn integreiddio â ffyrdd eraill o weithio, gwerthoedd, egwyddorion ac amcanion.

Egwyddor 2 Bydd yr arweinwyr yn fentrus ac yn ddewr, a byddant yn ymrwymo'n strategol i gefnogi'r broses o symud tuag at Fodel Cymdeithasol ar gyfer Iechyd a Llesiant.

Egwyddor 3 Byddwn yn ymwneud ag unigolion a chymunedau i ddeall eu hanghenion a chefnogi'r broses o gyd-gynhyrchu datrysiadau.

Egwyddor 4 Bydd cydweithrediadau ystyrlon â phartneriaid yn cael eu cryfhau a'u datblygu i fanteisio i'r eithaf ar flociau adeiladu iechyd a llesiant, a hynny gyda'r nod o alluogi unigolion a chymunedau i feithrin cydnerthedd, lleihau anghydraddoldebau iechyd a gwella tegwch iechyd.

Egwyddor 5 Byddwn yn defnyddio dull mwy ataliol, yn cynnwys nodi ac ymyrryd yn gynt, i gefnogi pobl i gynnal a gwella eu hiechyd a'u llesiant.

Egwyddor 6 Bydd diwylliant o brofi a dysgu yn cael ei annog, ei alluogi, ei gefnogi a'i ddathlu.

6. Gweithio gyda'n gilydd i sicrhau newid cadarnhaol

Rydym yn credu mewn cydweithio â'n partneriaid i wella a darparu gwell gwasanaethau i gefnogi iechyd a llesiant ein cymunedau.

Dyma enghreifftiau o adegau lle rydym yn gweithio mewn partneriaeth i wella mynediad at y lefel gywir o ofal, yn nes at gartref:

- Y Ganolfan Iechyd a Llesiant yn Cross Hands, Prosiect Pentre Awel, a Hwb Caerfyrddin
- Gwasanaeth tîm Llesiant Delta a Gartref yn Gyntaf
- Cleifion Ceredigion yn cael triniaeth ffisiotherapi yn nes at gartref
- Datblygiad cynghrair Sir Benfro rhwng awdurdodau lleol a phartneriaid trydydd sector
- Datblygiad hwb ffrydio integredig Porth Preseli
- Y porth HealthPathways ar gyfer gweithwyr gofal iechyd proffesiynol
- Hwb Celfyddydol, sef rhaglen celfyddydau arobryn ar gyfer plant a phobl ifanc sy'n hysbys i'n Gwasanaeth Iechyd Meddwl Arbenigol i Blant a'r Glasoed (S-CAMHS).

Mae yna nifer o fentrau ar y cyd gwych yn cael eu cynnal ar hyd a lled Sir Gaerfyrddin, Ceredigion a Sir Benfro sydd o fudd i'n cymunedau, ac mae rhai wedi'u rhestru yma:

- Hyrwyddo llesiant trwy gyfres o ddigwyddiadau cymunedol ledled Sir Gaerfyrddin, Ceredigion a Sir Benfro mewn partneriaeth â chyd-weithwyr yn yr awdurdodau lleol, y trydydd sector a'r sector gwirfoddol.
- Partneru ein Hadran Amenedigol â llwyfan iechyd meddwl ar-lein SilverCloud sydd â llwybrau atgyfeirio uniongyrchol, gan gynnig rhaglenni hunangymorth seiliedig ar therapi gwybyddol ymddygiadol i reoli amrywiaeth o broblemau iechyd meddwl.
- Atal derbyniadau i'r ysbyty sy'n gysylltiedig ag eiddilwch trwy waith Gwasanaeth Amlddisgyblaethol Mynediad Cyflym De Sir Gaerfyrddin yn Ysbyty'r Tywysog Philip.
- Mynd ati mewn modd rhagweithiol i reoli gofal pobl sy'n byw ag eiddilwch trwy'r Uned Eiddilwch Acíwt yn Ysbyty Llwynhelyg.

- Cefnogi pobl trwy'r Gwasanaeth Creadigol yn y Cartref, gwasanaeth y celfyddydau ac iechyd sy'n cael ei gynllunio a'i ddarparu gan People Speak Up mewn partneriaeth â Chyngor Sir Caerfyrddin a Cysylltu Sir Gâr.
- Lleddfu'r pwysau ar staff o ran parcio yn Ysbyty Glangwili, Caerfyrddin trwy ddatrysiad maes parcio ar y cyd â Chwmni Rheilffordd Gwili.
- Cefnogi cleifion sy'n barod i gael eu rhyddhau o'r ysbyty trwy drefniant dros dro â Chyngor Sir Ceredigion a Chartref Gofal Preswyl Hafan y Waun yn Aberystwyth.
- Gwella'r amgylchedd ar gyfer cleifion yn uned trin canser newydd Ysbyty Bronglais trwy ddewis artistiaid a beirdd lleol i gyd-greu gweledigaeth artistig ar gyfer yr uned.
- Cefnogi rhieni a phlant 0-5 oed ag anghenion cymhleth trwy fenter gyda'r sefydliad trydydd sector SNAP yn Ysbyty Llwynhelyg, Hwlffordd.
- Lleihau'r galw ar wasanaethau brys trwy Wasanaeth Ymateb Cyflym newydd ar gyfer Llesiant a Chwympiadau yn Sir Benfro mewn partneriaeth ag Ambiwlans Sant Ioan Cymru.
- Darparu cymorth a gweithgareddau i gleifion niwroadsefydlu trwy grŵp garddio niwroadsefydlu therapiwtig cyntaf Sir Benfro. Mae'r HUG (Grŵp Garddio Heads-Up) yn cael ei redeg gan ein gwasanaeth niwroadsefydlu cymunedol a Pharc Plas Scolton.

Lansio ein Siarter Celfyddydau ac Iechyd, sef addewid i'r cyhoedd i gyd-blethu'r celfyddydau yn ein gwaith. Y siarter hon yw'r cyntaf o'i bath yng Nghymru, a bydd yn cael ei chyflawni trwy wyth egwyddor ac addewid y celfyddydau ac iechyd, gan ei gwneud yn rhan annatod o'r modd yr ydym yn darparu gwasanaethau iechyd a llesiant.

Rydym hefyd yn gweithio'n agos gyda nifer o sefydliadau cenedlaethol a rhanbarthol, gan gynnwys Addysg a Gwella Iechyd Cymru; Iechyd a Gofal Digidol Cymru; ARCH (Cydweithrediad Rhanbarthol ar gyfer Iechyd: gyda byrddau iechyd prifysgol Bae Abertawe a Hywel Dda a Phrifysgol Abertawe); a'r fforwm amlasiantaethol, Fforwm Gwydnwch Lleol Dyfed Powys.

7. Ymchwil ac arloesi

Rydym yn cefnogi ymchwil ac arloesi i wella gofal a gwasanaethau cleifion.

2024-25 oedd blwyddyn olaf ein Cynllun Strategol Ymchwil ac Arloesi (2021-2024) cyfredol. Ochr yn ochr ag ymgysylltiad sylweddol i ddatblygu ein Cynllun Strategol newydd (2025-2030), a fydd yn cael ei ystyried gan y Bwrdd yn fuan, rydym wedi gweld nifer o lwyddiannau yn ystod y flwyddyn ddiwethaf:

- Agorwyd swyddfa ymchwil newydd gennym yn Ysbyty Llwynhelyg, sy'n golygu bod yna bresenoldeb ymchwil ymroddedig a gweladwy ym mhob un o'n hysbytai acíwt bellach.
- Mae gennym gynlluniau datblygedig i leoli rhai swyddogaethau ymchwil ac arloesi yng nghynllun newydd Pentre Awel, a fydd yn agor yn ddiweddarach eleni.
- Mae dangosyddion allweddol Ymchwil Iechyd a Gofal Cymru wedi amlygu gwelliant cyson, gyda chymorth tîm cynyddol o ymchwilwyr sy'n neilltuo amser i feysydd megis iechyd menywod, anhwylderau anadlol, anhwylderau metabolaidd, orthopedeg a gofal sylfaenol.
- Rydym wedi sicrhau nifer o grantiau cyllid, gan roi mwy o amser i staff ar gyfer ymchwil.
- Daeth un o'r astudiaethau ymchwil cyntaf o robotiaid orthopedig a gynhaliwyd yn Hywel Dda i ben, ac rydym wedi cychwyn ar un o'n hastudiaethau masnachol cyntaf yn Ysbyty Bronglais.
- Ynghyd â Phrifysgol Abertawe a Rhaglen TET (Profi, Tystiolaeth, Pontio),Ymchwil Canser y DU, bu i ni ddatblygu llwybr diagnosis cyflym newydd ar gyfer canser y prostad (PROSTAD) i fynd i'r afael â'r oedi wrth ddiagnosio canser y prostad. Enillodd y fenter Wobr Gofal Effeithlon GIG Cymru 2024.
- Rydym wedi rhoi'r gwasanaeth arloesol Spike on a Bike ar waith, sy'n wasanaeth lleihau niwed newydd, ac mae partneriaeth rhwng Gwasanaeth Cyffuriau ac Alcohol Dyfed, Prifysgol Abertawe, Iechyd Cyhoeddus Cymru a Phrifysgol Cymru y Drindod Dewi Sant yn gwerthuso ei effaith.

- Rydym wedi cychwyn Adeiladu Pontydd rhwng Tai ac Iechyd, sef prosiect Bevan Enghreifftiol sy'n cyflawni gwaith ar dai ac iechyd gyda'n partneriaid lleol, gan gynnwys elusennau tlodi tanwydd, cymdeithasau tai, awdurdodau lleol a Phrifysgol De Cymru. Mae'r prosiect wedi symud o Gam 1, a oedd yn ymwneud â chyflwyno canllaw arfer da seiliedig ar dystiolaeth, i Gam 2, gan weithredu atebion ymarferol pellach i helpu unigolion a theuluoedd, yn fwyaf nodedig mewn perthynas â gwres dan do yn ystod tywydd oerach, gyda'r nod o atal afiechyd, yn arbennig ymhlith yr henoed a theuluoedd â phlant ifanc.

At hynny, rydym wedi cymryd camau pwysig i wella arferion gwaith rhanbarthol, yn cynnwys nodi mesurau i wella mynediad cleifion at astudiaethau canser.

Er gwaethaf y cynnydd hwn, rydym yn parhau i herio lefel y buddsoddiad sy'n dod i law gan gyllidwyr; nad yw'n cyfateb i faint ein poblogaeth a'r problemau iechyd yr ydym yn eu hwynebu. Rydym hefyd yn ceisio cysoni ein hymdrechion â heriau'r Bwrdd Iechyd, sy'n cynnwys gwneud rhai newidiadau i'r ffordd yr ydym yn cael ein trefnu.

Mae ein rhaglen arloesi, gyda chymorth ein Sefydliad TriTech, hefyd wedi tyfu a datblygu.

Rydym wedi dechrau sawl prosiect newydd gyda chwmnïau fferyllol a thechnoleg feddygol mawr, gan ganolbwyntio ar ofal asthma ac atal clefyd y galon. Rydym hefyd wedi cryfhau ein perthynas â Gweithrediaeth y GIG trwy werthuso mentrau cenedlaethol i wella iechyd anadlol a llwybrau gofal cymunedol.

Mae ein gwaith gyda gwledydd Ewropeaidd eraill trwy raglen Horizon 2020 yn mynd rhagddo'n dda, gan gynnwys prosiectau i gynllunio ar gyfer argyfyngau iechyd yn y dyfodol a datblygu presgripsiynu cymdeithasol. Gallai ein henw da cynyddol arwain at berthynas agosach â'r Undeb Ewropeaidd yn 2025.

Cyn hir, byddwn yn cwblhau adolygiad gan gymheiriaid i arwain y modd yr ydym yn cryfhau ein model TriTech ac arloesi yn y blynyddoedd i ddod. Rydym hefyd yn cyfoethogi ein partneriaethau â Phrifysgol Aberystwyth, Prifysgol Abertawe, a Phrifysgol Cymru y Drindod Dewi Sant. Mae hyn yn cynnwys rhoi patent ar dechnolegau newydd ar gyfer diagnosio canser yr ysgyfaint a hyrwyddo datblygiadau arloesol, ar y cyd â'r Ganolfan Arloesi Cymdeithasol, i fynd i'r afael â materion iechyd a llesiant ehangach.

Yn Hywel Dda, rydym yn gweithio'n galed i ddod o hyd i ffyrdd newydd o gysylltu pobl yn well â gweithgareddau celfyddyd ac iechyd yn eu cymuned leol, a hynny gyda'r nod o helpu pobl i fyw'n dda yn hirach yn eu cartrefi a'u cymunedau eu hunain.

Rydym yn ddiolchgar i Shirley am rannu ei phrofiad o bresgripsiynu creadigol a'r modd y mae wedi gwella ei hiechyd a'i llesiant.

Cliciwch yma i ddarllen stori Shirley

8. Ein gweithlu

Rydym wedi ymrwymo i roi pobl wrth wraidd popeth a wnawn. Mae hyn yn golygu trin pawb yn deg ac â pharch, ni waeth beth yw eu cefndir neu eu credoau, a chreu amgylchedd cynhwysol i bawb.

Yma, rydym am rannu rhai o uchafbwyntiau allweddol ein gweithlu yn ystod 2024-25 â chi.

8.1 Cydnabod a gwerthfawrogi

Rydym yn parhau i arddangos a dathlu ein staff eithriadol trwy gyfrwng amryw o wobrau. Mae hyn yn cynnwys Gwobrau Canmoliaeth y Cadeirydd, sydd wedi cael 238 o enwebiadau ers iddynt gychwyn, a Gwobrau Staff Cymeradwyaeth Hywel, sydd wedi cael croeso mawr, gyda sawl aelod o staff yn teimlo ei fod yn cael ei werthfawrogi.

8.2 Profiad y staff

Cawsom gyfradd ymateb o 20% ar gyfer arolwg staff GIG Cymru 2024, gyda 2,397 o'n staff yn cymryd rhan, a oedd yn gynnydd sylweddol ers y flwyddyn flaenorol. Rydym yn gwella ein diwylliant Codi Llais i sicrhau bod staff yn teimlo'n ddiogel i leisio eu pryderon trwy wella hygyrchedd, gweledded ac ymddiriedaeth yn y broses. Rydym hefyd wedi ymgorffori diogelwch seicolegol mewn rhaglenni datblygu arweinyddiaeth i sicrhau bod arweinwyr yn y sefyllfa orau i greu amgylcheddau lle mae staff yn teimlo eu bod yn gallu codi llais.

8.3 Rheoli pobl

Rydym yn gweithio'n agos gyda'n cyd-weithwyr yn yr Undebau Llafur ar fentrau i wella iechyd a llesiant y staff. Rydym wedi lleihau nifer y polisïau cyflogaeth 27% gan sicrhau eu bod yn gryno ac yn effeithiol. Rydym yn ymdrin â materion cysylltiadau â chyflogeion mewn modd anffurfiol, gan

ddefnyddio ymchwiliadau fel dewis olaf yn unig. Mae'r dull hwn yn amddiffyn llesiant y staff ac yn lleihau'r effaith ar ofal cleifion.

8.4 Cadw a sefydlogi ein gweithlu

Rydym wedi canolbwyntio ar gryfhau ein cyfraddau cadw staff. Er enghraifft, rydym wedi lleihau'r defnydd o asiantaethau nyrsio yn sylweddol (o 324 llawn-amser ym mis Mehefin 2023 i 93 ym mis Chwefror 2025) ac wedi cymryd rhan mewn rhaglenni recriwtio rhyngwladol. Ers 2022, rydym wedi recriwtio 296 o Nyrsys a 10 Meddyg a Addysgwyd yn Rhyngwladol.

At hynny, rydym yn datblygu straeon ‘diwrnod ym mywyd’ i rannu profiadau ac arfer da, yn ogystal â gweithio gyda'n Hundebau Llafur i gefnogi asesiadau gweithio hyblyg a sgyrsiau am ymddeoliad hyblyg. Yn rhan o gyfarfod cyffredinol blynyddol ein Bwrdd Iechyd ar 26 Medi 2024, rhannodd tair o'n nyrsys a addysgwyd yn rhyngwladol eu straeon personol am symud i orllewin Cymru. I wylio Sithara, Soniya a Kandace yn rhannu eu straeon, cliciwch yma ac ewch i amsernod 1:07:07: I wylio Sithara, Soniya a Kandace yn rhannu eu straeon, cliciwch yma ac ewch i amsernod 1:07:07: Cyfarfod Cyffredinol Blynyddol 26.09.2024

8.5 Gweithlu'r dyfodol

Rydym wedi parhau i weithio gyda phobl ifanc ac wedi ymgysylltu ag 8,567 o ddisgyblion, sy'n cynnwys 2,855 trwy gyfrwng y Gymraeg, gan gwmpasu pob ysgol uwchradd yn ardal Hywel Dda. Bu i'n rhaglenni gynorthwyo 1,527 o fyfyrwyr gyda dosbarthiadau meistr iechyd, 337 o gyfleoedd profiad gwaith, a 36 o sesiynau blasu rhithwir. Dechreuodd 67 o fyfyrwyr ar y rhaglen “Dod yn feddyg” hefyd. Mae gweithgareddau efelychu wedi cynyddu diddordeb mewn gyrfaoedd yn y Bwrdd Iechyd o 35% i 63%.

Cafodd 19 o fyfyrwyr ag anghenion cymorth ychwanegol eu cefnogi i gael profiad gwaith, wrth i weithgareddau ymgysylltu cymunedol am yrfaoedd yn y GIG gael eu cynnal trwy gydol y flwyddyn. Cyfrannodd hyn at wella amrywiaeth ein 210 o wirfoddolwyr gweithredol. Recriwtiwyd 42 o brentisiaid, gan ddod â chyfanswm nifer y prentisiaid yn ein gweithlu i 162. Roeddem wrth ein bodd pan gafodd un o’n prentisiaid ei ddewis i fod yn Llysgennad y Gymraeg gan y Coleg Cymraeg Cenedlaethol, gan amlygu pwysigrwydd y Gymraeg ym maes gofal cleifion.

I gydnabod ein gwaith i gefnogi oedolion ifanc, cyflwynwyd Gwobr Cyflawniad Rhagorol Gyrfa Cymru i'r Bwrdd Iechyd.

8.6 Llesiant y staff

Bu i Wasanaeth Llesiant Seicolegol y Staff hyrwyddo amryw o wasanaethau cymorth, gyda'n hadnodd Porth y Staff yn cael bron 35,000 o ymweliadau yn 2024, a bu i ni gefnogi dros 700 o staff trwy gyfrwng cymorth a sesiynau iechyd meddwl un i un. Atgyfeiriodd dros 400 o gyd-weithwyr eu hunain i gael cymorth, a chymerodd 64 ran yn ein rhaglen Adferiad mewn Natur, sy'n gwella iechyd meddwl ac yn lleihau achosion o orweithio.

Ym mis Awst 2024, agorwyd yr Ardd Helyg yn Ysbyty Llwynhelyg, sef man gwyrdd, heddychlon sy'n cynnig noddfa mewn natur i gleifion, staff ac ymwelwyr i ffwrdd oddi wrth amgylchedd prysur yr ysbyty.

Gan weithio gyda Chaplaniaeth y Bwrdd Iechyd, cynhaliwyd gwasanaeth carolau amlddiwylliannol ym mis Rhagfyr i rannu ennyd o undod a myfyrdod. Roedd y digwyddiad yn nodi tymor y Nadolig ac yn anrhydeddu ymroddiad ein staff, ein cleifion a'r gwasanaethau brys, ac roedd yn cynnwys perfformiad o Dawel Nos yn laith Arwyddion Prydain.

8.7 Arweinyddiaeth a datblygu

Cymerodd 126 o arweinwyr ran yn y rhaglen LEAP (Arweinwyr yn Ymgysylltu â Phobl Anhygoel), ac mae ein rhwydwaith hyfforddi wedi tyfu i 40 o hyfforddwyr cymwys. Rydym wedi darparu tua 330 o sesiynau hyfforddi ac wedi cyflwyno'r rhaglen Dull Hyfforddi i 311 o fynychwyr; mae hyn bellach yn rhan annatod o raglenni Rheolwyr, LEAP ac Ymgynghorwyr Newydd Hywel Dda.

Mae ein cydymffurfedd â hyfforddiant statudol wedi cynyddu i 87%, sy'n uwch na tharged Llywodraeth Cymru. Cafodd 1,386 o aelodau o staff eu cefnogi i ymgymryd â dyfarniadau uwch neu elwa o gyfleoedd absenoldeb astudio. Mae ein llwybrau ‘Meithrin Nyrsys’ yn cynnwys 256 o aelodau o staff yn symud ymlaen ar y llwybr nyrsio academaidd ac 16 yn cyrchu gwahanol gymwysterau mewn gwaith proffesiynol perthynol i ofal iechyd. A ninnau'n ganolfan achrededig Agored Cymru, cyflawnwyd 960 o unedau hyfforddi mewn nifer o feysydd clinigol.

Cyflawnodd Ellie Dawe ac Aelwen Lee eu statws Nyrs Gymwysedig ar ôl cael eu cefnogi gan ein rhaglen hyfforddi ‘Meithrin Nyrsys’. Roeddent yn parhau i weithio wrth reoli eu hastudiaethau, ac maent wedi llwyddo i sicrhau swyddi yn ein Tîm Nyrsio Ardal.

Mae 73 o addysgwyr wedi cael mynediad at gyrsiau ‘Hanfodion Efelychu’, gan eu galluogi i lunio a chyflwyno sesiynau dysgu efelychiedig. Ar y cyd â Phrifysgol Abertawe, rydym wedi cyflwyno prosiect realiti rhithwir gan greu saith modiwl i wella datblygiad staff a sicrhau bod ein cymunedau'n elwa o well gofal.

8.8 Strategaeth y gweithlu a chynllunio'r gweithlu

Rydym wedi datblygu ein dull o gynllunio'r gweithlu, gan gydweithio'n agos ag Addysg a Gwella Iechyd Cymru (AaGIC). Mae gennym dros 70 o gynlluniau pobl ar waith i gefnogi gwasanaethau â heriau o ran eu gweithlu.

8.9 Cydraddoldeb, amrywiaeth a chynhwysiant

Ein nod yw creu amgylchedd cynhwysol lle mae gan bawb ymdeimlad o berthyn. Yn ystod y flwyddyn ddiwethaf, rydym wedi cynnig 57 o sesiynau hyfforddi ar gydraddoldeb, amrywiaeth a chynhwysiant i sicrhau bod gan ein staff y sgiliau a'r wybodaeth i roi arfer gorau ar waith ac amlygu gwerthoedd anwahaniaethol, llawn parch. Rydym wedi ymrwymo i gynnal asesiadau o'r effaith ar gydraddoldeb i gefnogi trefniadau llywodraethu a gwneud penderfyniadau da, a chafodd 222 o asesiadau o'r effaith ar gydraddoldeb eu cynnal. Aethom ati i gynhyrchu fideo gwybodaeth i gyd-fynd â'n Hadroddiad Blynyddol ar Gydraddoldeb Strategol i dynnu sylw ein staff a'n cymunedau at y modd yr ydym yn cyflawni ein hamcanion cydraddoldeb strategol.

Mae rhagor o wybodaeth am y mesurau sydd gennym ar waith i sicrhau ein bod yn cydymffurfio â'n rhwymedigaethau o dan ddeddfwriaeth cydraddoldeb a hawliau dynol, ynghyd ag am ein cynnydd yn unol â'n hamcanion cydraddoldeb strategol, i'w gweld yn yr adran ar Atebolrwydd yn yr Adroddiad Blynyddol hwn.

8.10 Y Gymraeg

Rydym am fod y bwrdd iechyd cyntaf yng Nghymru lle mae'r Gymraeg a'r Saesneg yn cael eu trin yn gyfartal o ran eu statws (Safonau Iechyd a Gofal: Gofal gydag Urddas).

Mae Safonau'r Gymraeg yn ofynion statudol sy'n nodi'n glir ein cyfrifoldebau i ddarparu gwasanaethau dwyieithog rhagorol. Gellir cyrchu'r rhain trwy adran Gwasanaethau'r Gymraeg ar ein gwefan, yma: Gwasanaethau'r Gymraeg – Bwrdd Iechyd Prifysgol Hywel Dda

Rydym yn anelu nid yn unig at gydymffurfio â Safonau'r Gymraeg, ond at goleddu eu hysbryd. Fodd bynnag, rydym yn cydnabod nad yw'r ffordd yr ydym yn cyflawni hyn ledled ein safleoedd a'n timau bob amser yn gyson. Mae angen i'n diwylliant a'n harferion esblygu er mwyn i ni ddarparu gwasanaeth dwyieithog di-dor i'r bobl sy'n defnyddio'r GIG a'r gwasanaethau gofal, ac mae hon yn uchelgais hirdymor.

Ein nod yw darparu gwasanaeth gofal iechyd dwyieithog i'r cyhoedd a galluogi ein staff i ddefnyddio'r Gymraeg yn naturiol yn y gweithle. Ymdrechwn i fod yn esiampl yn y maes hwn trwy hyrwyddo a galluogi defnydd cynyddol o'r Gymraeg gan ein gweithlu. Pa un a yw aelodau ein staff yn rhugl, yn ddi-hyder, neu'n ddechreuwyr, mae'r gweithle'n darparu cyfleoedd i ddefnyddio, ymarfer a dysgu'r Gymraeg.

Mae Cara, un o'n technegwyr fferyllol, yn mwynhau'r cyfle i weithio a siarad â chleifion yn ei mamiaith. Mae wedi ysgrifennu am y modd y mae cleifion yn ymateb pan fyddant yn gwybod y gallant siarad â hi yn eu mamiaith. A chithau'n glaf neu'n rhywun sy'n defnyddio ein gwasanaethau, mae gennych yr hawl i gael eich gofal yn Gymraeg.

Rydyn yn parhau i weithio gyda'r Ganolfan Genedlaethol ar gyfer Dysgu Cymraeg, sy'n ein hariannu i benodi tiwtor i weithio'n benodol gyda staff sy'n meddu ar sgiliau Cymraeg lefel 3 neu uwch ond nad oes ganddynt yr hyder i ddefnyddio eu Cymraeg. Mae'r rhaglen wedi bod ar waith ers dwy flynedd ac yn parhau i dyfu. Mae canlyniadau'r swydd hon wedi cael eu mesur a'u hadolygu, a gellir dod o hyd iddynt yn yr adroddiad gwerthuso yma: Gwasanaethau'r Gymraeg – Bwrdd Iechyd Prifysgol Hywel Dda.

Byddwn yn adrodd ar y cynnydd o ran hyn, ac o ran camau gweithredu allweddol eraill i gyflawni ein huchelgais a'n rhwymedigaethau statudol ar gyfer y Gymraeg, a hynny yn ein Hadroddiad Blynyddol ar y Gymraeg, a gyhoeddir ar ein gwefan yn ystod haf 2025: Gwasanaethau'r Gymraeg – Bwrdd Iechyd Prifysgol Hywel Dda

8.10.1 Sgiliau iaith y staff

Caiff sgiliau iaith ein staff, yn unol â Safonau'r Gymraeg 116 ac 117, eu cipio a'u cofnodi ar y system rheoli staff electronig (ESR).

Fel yr oedd ar 31 Mawrth 2025, roedd 97.4% o'r staff wedi cofnodi eu sgiliau iaith Gymraeg fel a ganlyn:

Lefel Sgiliau	0 – Dim Sgiliau	1 – Mynediad	2 – Sylfaen	3 – Canolradd	4 – Uwch	5 – Hyfedredd	Heb ei Gofnodi ar yr ESR eto
Nifer	4,891	2,676	1,075	884	922	1,355	312
%	40.4%	22.1%	8.9%	7.3%	7.6%	11.2%	2.6%

8.10.2 Swyddi gwag

Nodir isod nifer y swyddi newydd a'r swyddi gwag a hysbysebwyd yn ystod y flwyddyn, wedi'u cofnodi yn ôl y rhai lle roedd sgiliau Cymraeg yn hanfodol neu'n ddymunol, a'r nifer lle roedd angen dysgu'r Gymraeg neu le nad oedd y Gymraeg yn angenrheidiol:

- **22** lle roedd sgiliau Cymraeg yn hanfodol
- **0** lle y byddai angen dysgu sgiliau Cymraeg yn dilyn penodiad i'r swydd
- **2,175** lle roedd sgiliau Cymraeg yn ddymunol
- **288** lle nad oedd sgiliau Cymraeg yn angenrheidiol
- Hysbysebwyd cyfanswm o **2,485** o swyddi gwag

O blith y 2,485 o swyddi a hysbysebwyd, cynigiwyd 2,616 ohonynt, ac mae 529 o'r unigolion a benodwyd i'r swyddi hynny yn meddu ar sgiliau Cymraeg lefelau 3 i 5.

8.10.3 Cwynion yn ymwneud â'r Gymraeg

Cafwyd tair cwyn yn ymwneud â gwasanaeth Cymraeg yn ystod 2024-25. Cynhaliwyd un ymchwiliad gan Gomisiynydd y Gymraeg yn ystod y flwyddyn, a hynny o dan adran 71 o Fesur y Gymraeg. Mae'r manylion llawn i'w gweld yn yr Adroddiad Blynyddol ar y Gymraeg, a gyhoeddir ar ein gwefan: Gwasanaethau'r Gymraeg – Bwrdd Iechyd Prifysgol Hywel Dda.

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9. Adroddiad Cynaliadwyedd

9.1 Yr amgylchedd, cynaliadwyedd a lleihau carbon

Yn ystod y flwyddyn ddiwethaf rydym wedi parhau i ystyried opsiynau i leihau carbon a chynnwys arferion cynaliadwy yn ein gweithgarwch o ddydd i ddydd.

Yn ystod y ddwy flynedd ddiwethaf rydym wedi gosod technolegau cynhyrchu ynni adnewyddadwy ac effeithlonrwydd ynni i leihau ein hôl troed carbon, gan gyfrannu at darged Llywodraeth Cymru o sero net yn y sector cyhoeddus ar gyfer 2030, yn cynnwys:

- Paneli solar yn Hafan Derwen, Caerfyrddin, Ysbyty De Sir Benfro yn Noc Penfro, a Chlinig Bryn-mair yn Llanelli
- Systemau storio ynni batri yn Hafan Derwen yng Nghaerfyrddin
- Uwchraddio rheolaethau rheoli adeiladau yn Ysbyty Bronglais yn Aberystwyth ac Ysbyty Dyffryn Aman yng Nglanaman, ac yng nghlinigau Bryn-mair ac Elizabeth Williams yn Llanelli
- Cyflenwad tanwydd gwresogi LPG i ddisodli cyfran o'r olew a ddefnyddir yn Ysbyty Glangwili yng Nghaerfyrddin
- Gosod goleuadau LED wrth adnewyddu hen ffitiadau, yn ogystal â chynlluniau i adnewyddu'r holl oleuadau ar nifer o safleoedd

Mae contractwyr wedi archwilio'r systemau gwresogi yn Ysbyty'r Tywysog Philip, Llanelli, Ysbyty Bronglais yn Aberystwyth, ac Ysbyty Llwynhelyg yn Hwlffordd. Maent yn llunio adroddiadau i weld sut y gallwn wneud y systemau hynny'n fwy effeithlon, gan ddefnyddio arian o Gynllun Effeithlonrwydd Rhwydwaith Gwres Llywodraeth y DU.

Cafodd ein hymgyrch 'Diffoddwch Eich Dyfais' ei lansio ym mis Hydref 2024, gan annog staff i ddiffodd eitemau trydanol nad ydynt yn cael eu defnyddio. Mae'r ymgyrch wedi cael ei harddangos gan Gweithredu ar Newid Hinsawdd fel enghraifft o arfer da.

Rydym wedi sicrhau bod ein perfformiad a'n systemau yn bodloni safonau ISO14001, ac wedi gosod nodau yr ydym yn eu gwirio a'u hadolygu'n rheolaidd.

Mae gennym ffordd gadarn o ymdrin â gweithio ystwyth, ac mae gennym gynllun gweithio ystwyth cymeradwy a phecyn cymorth i helpu ein staff i weithio o'r lleoliad mwyaf priodol ar gyfer eu rôl. Rydym hefyd yn symleiddio ein heiddo i sicrhau bod adeiladau'n cael eu defnyddio'n llawn ac yn perfformio'n dda.

Rydym yn gweithio i leihau allyriadau o'n cerbydau fflyd, ac mae gennym gynllun i newid i gerbydau trydan. Rydym hefyd wedi gwneud cais am grant i osod gorsafoedd gwefru cerbydau trydan ar gyfer ein fflyd ar safleoedd Hywel Dda i gefnogi'r newid hwn.

Mae lleihau gwastraff a chynyddu ailgylchu yn brif flaenoriaethau i ni. Rydym yn ehangu ein rhaglen i ailgylchu cynhyrchion hylendid amsugnol er mwyn lleihau allyriadau carbon a gwella cyfraddau ailgylchu. Yn ddiweddar, bu i ni ennill gwobr MediWales am y prosiect hwn, a chafodd hyn ei amlygu gan Gweithredu ar Newid Hinsawdd a chylchgrawn 'Life Stories' fel enghraifft o arfer da ym maes iechyd a gwyddorau bywyd.

Rydym yn canolbwyntio ar ddefnyddio cynhyrchion cynaliadwy, creu fframweithiau iechyd gwyrdd, lleihau gwastraff, a lleihau eitemau untro a phlastigion. Dyma brosiectau eraill yr ydym wedi bod yn gweithio arnynt i leihau gwastraff a gwneud Hywel Dda yn fwy ecogyfeillgar:

- Golchi ac ailddefnyddio neu ailgylchu gwisgoedd staff
- Ymgyrch 'Dim Menig' i leihau'r gorddefnydd o fenig plastig untro
- Profi rhwymynnau tynhau amlddefnydd yn lle rhai tafladwy
- Newid o bresgripsiynau papur i rai digidol
- Newid i eitemau ailgylchadwy/amlddefnydd, megis llenni, bagiau plastig, potiau moddion, cewynnau/cynhyrchion anymataliaeth, poteli atchwanegiadau maethol, pecynnau pothell ar gyfer tabledi, a sbecwla
- Treialu ailddefnyddio bagiau sbesimenau
- Defnyddio ein system Warp-It ar-lein i ailgylchu ac ailddefnyddio cyfarpar
- Newid o anadlyddion mesur dosau i anadlyddion powdr sych ecogyfeillgar i leihau allyriadau nwyon niweidiol
- Gweithredu'r fframwaith Adran Frys Wyrddach i gyflawni statws gwobr efydd
- Cynorthwyo timau gofal critigol a gofal sylfaenol i roi'r Fframwaith Gofal Critigol Gwyrddach ar waith

Er mwyn bodloni gofynion y Rheoliadau Ailgylchu yn y Gweithle a gwella ein cyfradd ailgylchu, rydym yn gwahanu mathau gwahanol o wastraff, yn cynnwys papur, cerdyn, plastigion, tuniau, bwyd, a gwydr ar y rhan fwyaf o'n safleoedd.

Er bod ein costau cyfleustodau yn dal i fod yn uchel, maent wedi gostwng yn bennaf oherwydd newidiadau ym mhrisiau'r farchnad ynni. Mae ein contract gyda Centrica, sy'n dod i ben ar 31 Mawrth 2025, wedi sicrhau arbedion blynyddol a lleihau allyriadau carbon. O fis Ebrill 2015 tan fis Rhagfyr 2024, bu i'r contract hwn sicrhau gostyngiad o 30,795 tunnell fetrig yn yr allyriadau $CO2_2e$.

Mae gennym gontract perfformiad ynni newydd ar y gweill gyda Vital Energi Ltd trwy'r Fframwaith Re:Fit 4 Wales. Mae Vital Energi wedi asesu mesurau arbed ynni ar chwe safle: Ysbyty'r Tywysog Philip, Ysbyty Bronglais, Hafan Derwen, Ysbyty Glangwili, Ysbyty Llwynhelyg a Chlinig Elizabeth Williams. Mae'r mesurau arfaethedig yn cynnwys gwella goleuadau LED, systemau gwresogi, inswleiddio, systemau rheoli adeiladau, paneli solar ar y to, unedau trin aer ac oeryddion.

Mae Vital Energi 'nawr yn gweithio gyda ni ar gynnig manwl ar gyfer cais buddsoddi mawr (tua £10 miliwn) o raglen Buddsoddi i Arbed Llywodraeth Cymru ar gyfer 2025-26 a 2026-27.

Rydym yn gwneud cynlluniau i gadw'r arbedion a'r gostyngiadau carbon o'n contract gyda Centrica wrth iddo ddod i ben. Gan ddechrau ym mis Ebrill 2025, bydd gennym gontractau cynnal a chadw 8 mlynedd newydd ar gyfer yr unedau gwres a phŵer cyfun yn ysbytai Llwynhelyg a'r Tywysog Philip, a chontract (hyd at) 5 mlynedd ar gyfer y boeler biomas yn Ysbyty Glangwili. Cafodd yr unedau hyn eu gosod ar ddechrau contract Centrica ac maent tua 10 mlwydd oed; mae iddynt rychwant oes o 15-20 mlynedd.

Mae ein Cynllun Cyflawni Datgarboneiddio yn amlinellu'r modd yr ydym yn anelu at gyrraedd targedau sero net cenedlaethol mewn meysydd megis rheoli carbon, adeiladau, trafnidiaeth, caffael, cynllunio ystadau, defnydd tir, a chynaliadwyedd clinigol.

9.1.1 Hyfforddiant a Datblygiad

Mae Addysg a Gwella Iechyd Cymru yn cynnig hyfforddiant Cymuned Hinsawdd Call, ac anogir staff Hywel Dda i ymuno. Mae tudalennau cynaliadwyedd VAULT yn amlygu cyfleoedd o ran effeithlonrwydd ac arfer gorau yn GIG Cymru. Gall staff gael mynediad at fodiwlau e-ddysgu ar y system cofnod staff electronig (ESR), a hynny ar bynciau megis y newid yn yr hinsawdd, cynaliadwyedd amgylcheddol, a chyflawni sero net.

I gael rhagor o fanylion, bydd ein Hadroddiad Cynaliadwyedd llawn ar gyfer 2024-25 ar gael ar ein gwefan ym mis Mehefin 2025.

9.2 Tasglu ar gyfer Datgeliadau Ariannol yn ymwneud â'r Hinsawdd

9.2.1 Datganiad Cydymffurfiaeth

Mae Bwrdd Iechyd Prifysgol Hywel Dda yn cadarnhau bod y Datgeliad Ariannol hwn sy'n Gysylltiedig â'r Hinsawdd wedi'i baratoi yn unol â gofynion paragraff 3.41 o Lawlyfr Cyfrifon Llywodraeth Cymru ac mae'n cyd-fynd â phedair thema graidd y Tasglu ar Ddatgeliadau Ariannol sy'n Gysylltiedig â'r Hinsawdd: Llywodraethu, Strategaeth, Rheoli Risg, a Metrigau a Thargedau.

Mae'r datgeliad hwn yn adlewyrchu ymrwymiad a chydymffurfiaeth barhaus y Bwrdd Iechyd â chynaliadwyedd amgylcheddol, adrodd ariannol tryloyw, a chydymffurfiaeth â pholisi Llywodraeth Cymru ac amcanion strategol GIG Cymru ar gyfer allyriadau sero net.

Rydym wedi ymrwymo i gynaliadwyedd amgylcheddol a lleihau allyriadau carbon, gan gydymffurfio â Deddf yr Amgylchedd (Cymru) 2016 a Rheoliadau Newid Hinsawdd (Cymru) 2021. Rydym yn parhau i wneud cynnydd cadarnhaol tuag at dargedau sero net a chynllunio addasu i'r hinsawdd, gan gyd-fynd â Chynllun Strategol Datgarboneiddio GIG Cymru a Strategaeth Addasu i'r Hinsawdd ar gyfer Cymru.

9.2.2 Ein trefniadau llywodraethu mewn perthynas â materion yn ymwneud â'r hinsawdd

Mae'r Bwrdd Iechyd wedi sefydlu strwythurau llywodraethu clir i oruchwylio risgiau a chyfleoedd sy'n gysylltiedig â'r hinsawdd. Mae goruchwyliaeth yn nwylo'r Pwyllgor Strategaeth a Chynllunio, sy'n is-bwyllgor ffurfiol o'r Bwrdd. Mae'r pwyllgor yn adolygu cynnydd ac adrodd statws ar ddatgarboneiddio a'n gallu i gyrraedd y targedau sero net a osodwyd gan Lywodraeth Cymru.

Darperir arweinyddiaeth gan y Cyfarwyddwr Gweithredol Strategaeth a Chynllunio a'r Cyfarwyddwr Iechyd Cyhoeddus, sy'n gyfrifol am ymgorffori ymateb hinsawdd y Bwrdd Iechyd mewn cynllunio a dylunio gwasanaethau, datblygu cyfalaf, diogelu iechyd cyhoeddus a pharhad busnes.

Mae ein Cynllun Cyflawni Datgarboneiddio yn cynnwys 46 o fentrau i gyrraedd targedau sero net Llywodraeth Cymru.

Rydym yn olrhain ac yn adrodd ar ein hymdrechion lliniaru hinsawdd drwy:

- Grwpiau Tasglu Eiddo Strategol a'r Amgylchedd Misol
- Grŵp Trafnidiaeth Gynaliadwy
- Grŵp Gofal Iechyd Cynaliadwy (Gwyrdd)
- Adroddiad Ansoddol Blynyddol i Lywodraeth Cymru
- Cyfarfodydd adolygu Cynllunio a Chyflawni Ansawdd Integredig (yn ôl y cais)
- Proses adrodd flynyddol y Bwrdd Iechyd, gan gynnwys amcanion llywodraethu a llesiant
- Adrodd allyriadau sero net meintiol blynyddol i Lywodraeth Cymru
- Adroddiad blynyddol y Bwrdd Gwasanaethau Cyhoeddus (yn ôl y cais)

9.2.3 Trefniadau ein Bwrdd ar gyfer goruchwylio materion yn ymwneud â'r hinsawdd

Mae'r Grŵp Tasglu Eiddo Strategol a'r Amgylchedd yn goruchwylio cyflawni'r 46 menter yn ein Cynllun Cyflawni Datgarboneiddio. Mae cynnydd wedi'i ddogfennu yn yr Adroddiad Ansoddol Datgarboneiddio ddwywaith y flwyddyn a gyflwynir i Grŵp Seilwaith Canolbarth a Gorllewin Cymru Iachach i'w gymeradwyo cyn ei gyflwyno i Lywodraeth Cymru.

Mae'r Adroddiad Sero Net Blynyddol yn cael ei oruchwylio gan Dîm Perfformiad Corfforaethol y Bwrdd Iechyd ac mae proses gadarn ar waith ar gyfer cwblhau a gwirio. Mae'r adroddiad hwn yn cael ei gymeradwyo gan y Pwyllgor Strategaeth a Chynllunio cyn ei gyflwyno i Lywodraeth Cymru. Mae'r ddau adroddiad yn cynnwys risgiau a materion sy'n gysylltiedig â newid hinsawdd a'n llwybr i sero net, gan gynnwys y gweithgaredd lliniaru.

9.2.4 Rôl y rheolwyr o ran asesu a rheoli materion yn ymwneud â'r hinsawdd

Rydym yn cefnogi uchelgais GIG Cymru i ddod yn wasanaeth iechyd net-sero erbyn 2030. Mae materion sy'n gysylltiedig â'r hinsawdd wedi'u hintegreiddio i strategaethau tymor byr, tymor canolig a hirdymor drwy ein Cynllun Cyflawni Datgarboneiddio a'n Cynllun Addasu i'r Hinsawdd sydd ar ddod, gan gyd-fynd â blaenoriaethau Llywodraeth Cymru a pholisi cenedlaethol.

Mae newid hinsawdd yn flaenoriaeth drawsadrannol sy'n effeithio ar bob rhan o'r sefydliad. Mae rheolwyr ar draws sawl cyfarwyddiaeth yn cyfrannu at weithgareddau sero net a chynaliadwyedd amgylcheddol, yn ogystal â chefnogi'r Tîm Amgylchedd i gynnal safon ISO14001.

Rydym yn cwblhau ein hasesiad effaith integredig sydd ag adran bwrpasol ar gynaliadwyedd amgylcheddol, gan gynnwys effeithiau hinsawdd a sero net, gyda system sgorio. Bydd hyn yn helpu rheolwyr i asesu'r risgiau ac effeithiau eu gweithgareddau ar ein llwybr i sero net er mwyn gwella gwneud penderfyniadau, sicrhau cydymffurfiaeth gyfreithiol, ystyried cydraddoldeb/hawliau dynol, a ffactorau economaidd-gymdeithasol.

9.2.5 Y metrigau a'r targedau a ddefnyddir i asesu a rheoli materion perthnasol yn ymwneud â'r hinsawdd

Targedau Lleihau Allyriadau: gostyngiad o 16% erbyn 2025; gostyngiad o 34% erbyn 2030 (o waelodlin 2020). Mae Adroddiad Targed Carbon Sero Net Sector Cyhoeddus Cymru yn olrhain ein hallbynnau data a'n perfformiad tuag at dargedau sero net 2030 a thargedau dros dro. Mae hyn yn gysylltiedig â'r risg weithredol ar gofrestr risg y Bwrdd Iechyd ac yn cael ei ddiweddaru yn unol â'n Fframwaith Rheoli Risg.

Mae ein Cynllun Cyflawni Datgarboneiddio yn crynhoi effaith camau gweithredu hinsawdd y Bwrdd Iechyd, gan gyd-fynd â Chynllun Cyflawni Strategol Datgarboneiddio GIG Cymru. Mae'n canolbwyntio ar leihau allyriadau carbon o adeiladau, trafnidiaeth, caffael, a meysydd clinigol fel nwyon anesthetig.

9.2.6 Allyriadau a'r risgiau cysylltiedig

Mae'r tabl isod yn dangos ein safle yn 2023/24 (wedi'i fesur mewn kgCO2e) a sut mae'n cymharu â 2022/23 a'r duedd.

Categorïau	2022-23	2023-24	Tuedd
Adeiladau, y fflyd ac asedau eraill			
Adeiladau	21,612,846	20,052,328	↓
Goleuadau stryd	1,117	622	↓
Y fflyd a chyfarpar	584,295	676,043	↑
Nwyon-F a nwyon anesthetig	3,496,282	1,877,545	↓
Teithio ar gyfer busnes, cymudo a gweithio gartref			
Teithio ar gyfer busnes	1,957,769	2,200,851	↑
Cymudo	16,492,157	16,282,868	↓
Gweithio gartref	1,068,819	954,588	↓

Gwastraff			
Gwastraff sefydliadol	493,384	501,733	↑
Y gadwyn gyflenwi – Haen 1 a Haen 2 wedi'u cyfuno			
Y gadwyn gyflenwi	48,226,966	111,192,247 (Haen 1) 96,075,696 (Haen 2)	↑

Allyriadau ar y tir			
Cyfanswm yr allyriadau ar y tir	-	-	amh.
Cyfanswm yr allyriadau			
Cyfanswm yr allyriadau	**93,933,636**	**153,738,825** (Haen 1) **138,622,274** (Haen 2)	↑
Ynni adnewyddadwy ar y safle – gwres	2,999,720	6,836,205	↑
Ynni adnewyddadwy ar y safle – trydan	438,440	440,088	↑
Ynni adnewyddadwy a brynir – trydan	22,114,823	10,194,208	↓

Mae'r tabl yn dangos perfformiad Sector Cyhoeddus Net Sero'r Bwrdd Iechyd ar gyfer 2023/24. Cynyddodd allyriadau carbon o 93,940,000 kgCO2e yn 2022/23 i 138,622,274 kgCO2e (gan ddefnyddio caffael Haen 2) neu 153,738,825 kgCO2e (gan ddefnyddio caffael Haen 1). Mae'r cynnydd hwn oherwydd problemau data'r gadwyn gyflenwi, ychwanegu data gofal sylfaenol (meddygfeydd a reolir), a newid yn y fethodoleg.

Ar yr ochr gadarnhaol, rydym wedi lleihau ein defnydd o Nwyon-F/Nwyon Anesthetig ac wedi torri allyriadau o gymudo ac adeiladau.

Mae'r risg 'effeithiau newid hinsawdd' ar gofrestr risg gorfforaethol y Bwrdd Iechyd, ac mae'r risg 'gallu i gyrraedd y targedau net sero a chyflawni'r cynllun datgarboneiddio' wedi'i chynnwys ar y gofrestr risg weithredol. Caiff adroddiadau rheoli risg eu hadolygu gan y Bwrdd a chaiff gweithgareddau lliniaru eu diweddaru'n rheolaidd.

Rydym wrthi'n datblygu ein Cynllun Addasu i'r Hinsawdd, a fydd yn ein helpu i addasu i risgiau ac effeithiau hinsawdd.

9.2.7 Ein perfformiad yn unol â thargedau i reoli risgiau a chyfleoedd cysylltiedig â'r hinsawdd

Mae perfformiad yn erbyn targedau sero net wedi'i nodi yn ein Cynllun Cyflawni Datgarboneiddio ac yn cael ei fonitro trwy'r dogfennau adrodd cysylltiedig. Ein nod yw diweddaru ein cynllun yn 2025/26 i gyd-fynd ag adnewyddu cynllun strategol Llywodraeth Cymru.

Mae risgiau sy'n gysylltiedig â'r hinsawdd yn cael eu nodi trwy system rheoli risg Datix ac yn cael eu hasesu ochr yn ochr â risgiau strategol, ariannol, clinigol a gweithredol. Mae'r Tîm Rheoli Risg a'r perchnogion risg perthnasol yn adolygu ac yn diweddaru'r risgiau hyn yn rheolaidd ac yn darparu diweddariadau i'r Cyfarwyddwyr Gweithredol a'r Pwyllgorau. Mae unrhyw effeithiau ar berfformiad yn cael eu hadrodd yn ôl i Lywodraeth Cymru trwy strwythurau adrodd presennol. Defnyddir dadansoddiad senario i asesu effaith bosibl bygythiadau sy'n gysylltiedig â'r hinsawdd fel tywydd eithafol, anwadalrwydd prisiau ynni, ac aflonyddwch yn y gadwyn gyflenwi. Bydd rhagor

o fanylion am ein risgiau ac ymateb i argyfwng hinsawdd yn cael eu cynnwys yng Nghynllun Addasu i Hinsawdd y Bwrdd Iechyd sydd wrthi'n cael ei ddatblygu i gwrdd â'r dyddiad cau ym mis Rhagfyr 2025.

9.3 Bioamrywiaeth – Ein Datganiad Cydymffurfio

9.3.1 Beth yw'r Ddyletswydd Bioamrywiaeth?

Cyflwynodd adran 6 o dan Ran 1 o Ddeddf yr Amgylchedd (Cymru) 2016 ddyletswydd bioamrywiaeth a gwytnwch ecosystemau gwell (dyletswydd S6) ar gyfer awdurdodau cyhoeddus wrth arfer swyddogaethau mewn perthynas â Chymru. Mae dyletswydd S6 yn ei gwneud yn ofynnol bod yn rhaid i awdurdodau cyhoeddus (gan gynnwys yr holl fyrddau iechyd ac ymddiriedolaethau) geisio cynnal a gwella bioamrywiaeth i'r graddau y maent yn gyson ag arfer eu swyddogaethau yn briodol a thrwy hynny hyrwyddo gwytnwch ecosystemau.

9.3.2 Beth mae'n rhaid i sefydliadau GIG Cymru ei wneud?

Er mwyn cydymffurfio â dyletswydd S6, dylai awdurdodau cyhoeddus ymgorffori ystyriaeth bioamrywiaeth ac ecosystemau yn eu meddwl cynnar a'u cynllunio busnes, gan gynnwys unrhyw bolisïau, cynlluniau, rhaglenni a phrosiectau, yn ogystal â'u gweithgareddau o ddydd i ddydd. Er mwyn cydymffurfio â'r ddyletswydd S6, rhaid i'r rhan fwyaf o awdurdodau cyhoeddus baratoi a chyhoeddi cynllun sy'n nodi'r hyn y maent yn bwriadu ei wneud i gynnal a gwella bioamrywiaeth a hyrwyddo gwytnwch. Gall y cynllun hwn fod yn rhan annatod o unrhyw ddogfen gynllunio fel rhan o brosesau cynllunio busnes neu gorfforaethol y sefydliad. Nid oes angen cynllun annibynnol o reidrwydd.

Fel corff cyhoeddus yng Nghymru, mae Bwrdd Iechyd Prifysgol Hywel Dda yn cydnabod ei ddyletswydd gyfreithiol o dan Adran 6 o Ddeddf yr Amgylchedd (Cymru) 2016 i geisio cynnal a gwella bioamrywiaeth, a thrwy wneud hynny, hyrwyddo gwytnwch ecosystemau, wrth arfer ein swyddogaethau.

Rydym yn cydnabod yn llawn y cyd-ddibyniaeth rhwng yr amgylchedd naturiol, iechyd a lles ein poblogaeth, a'n rhwymedigaethau o dan Ddeddf Llesiant Cenedlaethau'r Dyfodol (Cymru) 2015. Yn unol â'r egwyddor datblygu cynaliadwy, rydym yn anelu at sicrhau bod ein penderfyniadau a'n gweithrediadau yn bodloni anghenion heddiw heb gyfaddawdu gallu cenedlaethau'r dyfodol i ddiwallu eu hanghenion.

9.3.3 Ein dull a'n cyflawniadau

Yn 2024–25, rydym wedi parhau i adeiladu ar ein hymrwymiad i fioamrywiaeth a gwytnwch ecosystemau trwy ystod o weithgareddau sy'n cyd-fynd â'n hamcanion amgylcheddol ac iechyd. Mae'r camau hyn yn cyfrannu'n uniongyrchol at y nodau lles cenedlaethol canlynol:

- Cymru Wydn – drwy gefnogi ecosystemau iach, sy'n gweithredu a rheoli ein hystad gyda natur mewn golwg.
- Cymru Iachach – drwy greu mannau gwyrdd sy'n cefnogi lles corfforol a meddyliol.
- Cymru sy'n Gyfrifol yn Fyd-eang – drwy leihau niwed ecolegol a meithrin arferion cynaliadwy ar draws ein gwasanaethau a'n seilwaith.

Mae camau gweithredu allweddol yn cynnwys:

- Rheoli ystadau cynaliadwy: Rydym wedi parhau i weithredu arferion natur-gadarnhaol ar draws ein safleoedd lle mae cyfleoedd yn codi, gan gynnwys cadwraeth cynefinoedd, plannu coed a blodau gwyllt brodorol, a datblygu mannau gwyrdd yn weithredol.
- Gwelliannau mannau gwyrdd: Mae prosiectau fel coridorau bioamrywiaeth, plannu sy'n gyfeillgar i beillwyr, a thirlunio sy'n gyfeillgar i fywyd gwyllt wedi'u hehangu ar draws sawl lleoliad cymunedol ac ysbyty.
- Cynlluniau cyfalaf a safonau dylunio: Rydym yn ffactors bioamrywiaeth a gwytnwch hinsawdd mewn datblygiadau cyfalaf ac uwchraddio seilwaith lle mae cyfleoedd yn codi.

Ymgysylltu â staff a chymuned: Rydym wedi partneru â sefydliadau i wella mannau gwyrdd a chodi proffil bioamrywiaeth.

9.3.4 Cynnal ein hymrwymiadau a symud ymlaen

Er mwyn ymgorffori ymhellach ein dyletswyddau statudol o dan Ddeddf yr Amgylchedd a Deddf Cenedlaethau'r Dyfodol, byddwn yn:

- datblygu a chyhoeddi Cynllun Bioamrywiaeth a Gwydnwch Ecosystemau wedi'i alinio â'r ddwy Ddeddf, gan osod blaenoriaethau clir;
- gweithio gyda Chyfoeth Naturiol Cymru, awdurdodau lleol, ac Iechyd Cyhoeddus Cymru i sicrhau dulliau cydgysylltiedig o adferiad natur ar lefel ranbarthol;
- gwella seilwaith gwyrdd ar draws ein ystâd i gefnogi cynnydd net bioamrywiaeth, lleihau carbon, a gwell amgylcheddau cleifion lle mae cyfleoedd yn codi;
- ymgorffori egwyddorion bioamrywiaeth yn ein cynllunio ymateb i'r hinsawdd (addasu), gan gydnabod y cysylltiad rhwng ansawdd amgylcheddol a chanlyniadau iechyd;
- monitro ac adrodd ein gweithredoedd bioamrywiaeth trwy ein gweithgaredd ymateb i'r hinsawdd sy'n cyd-fynd â'n huchelgeisiau ymateb hinsawdd ac addasu ehangach.

Drwy gymryd y camau hyn, mae'r Bwrdd Iechyd yn cyfrannu'n ystyrlon at agenda adfer natur Cymru, tra'n sicrhau bod ein gweithgareddau gweithredol yn cefnogi lles hirdymor y cymunedau rydyn ni'n eu gwasanaethu.

10. Casgliad ac edrych i'r dyfodol

Mae'r adroddiad hwn yn adlewyrchu cryfder a chydnerthedd anhygoel ein staff a'n partneriaid, bob un yn cydweithio i wella iechyd, gofal a llesiant ein cleifion a'n cymunedau lleol, er gwaethaf wynebu heriau sylweddol trwy gydol y flwyddyn. Mae ein timau wedi gweithio'n ddiflino i fynd i'r afael â materion megis yr ôl-groniad o gleifion sy'n aros am ofal, heriau o ran y gweithlu, anawsterau ariannol, a'r galw cynyddol am ein gwasanaethau.

Rydym wedi cymryd camau i wella ein system a chynllunio ar gyfer y dyfodol. Rydym yn ymrwymedig i adfer ein hiechyd ariannol a'n perfformiad i'r lefelau cyn y pandemig a thu hwnt i hynny. I'n helpu i wneud hyn, rydym wedi datblygu Cynllun Blynyddol unflwydd ar gyfer 2025-26, y gallwch ei ddarllen yma. Mae'r cynllun hwn yn uchelgeisiol ond yn ymarferol, gan fynd i'r afael yn uniongyrchol â'n heriau mwyaf, a chan bennu llwybr tuag at ofal iechyd cynaliadwy o ansawdd uchel ar gyfer ein cymunedau.

Mae ein dull yn cydbwyso blaenoriaethau gweithredol uniongyrchol â'n gweledigaeth strategol hirdymor. Rydym yn ymroddedig i egwyddorion ein strategaeth 'Canolbarth a Gorllewin Cymru Iachach', a hefyd yn cydnabod yr angen am newidiadau strwythurol dyfnach i sicrhau gwasanaethau cynaliadwy. Mae'r cynllun yn pennu blaenoriaethau clir a thargedau mesuradwy ar draws gofal brys a gofal mewn argyfwng, gofal wedi'i gynllunio a diagnosteg, iechyd meddwl, sefydlogi'r gweithlu, ac adferiad ariannol. Mae hefyd yn cyflwyno strwythur arweinyddiaeth newydd i'r Grŵp Gofal Clinigol, gan ddod â'r broses o wneud penderfyniadau yn nes at y cleifion a'r clinigwyr i sicrhau mwy o atebolrwydd a darparu gwasanaethau mewn modd mwy ymatebol.

Yn 2024-25, bu i ni symud ymlaen â'n rhaglen recriwtio ryngwladol, gan leihau nifer y swyddi gwag a'r defnydd o staff asiantaeth, lleihau nifer y cleifion hirdymor mewn ysbytai, a datblygu ein Cynllun Gwasanaethau Clinigol. Gan edrych i'r dyfodol, ein nod yw parhau â'r cynnydd hwn, gan weithio gyda phartneriaid ac ymateb i ysgogwyr polisïau megis Gweithrediaeth GIG Cymru, y Fframwaith Clinigol Cenedlaethol, yr Economi Sylfaenol, y Ddyletswydd Gofal Gymdeithasol, a Deddf Llesiant Cenedlaethau'r Dyfodol, ynghyd â Blaenoriaethau Gweinidogol a chanlyniadau.

Gan ein bod yn gyflogwr mawr ac yn cyfrannu at yr economi leol, rydym am helpu ein poblogaeth i ddatblygu gyrfaoedd gwerth chweil, cefnogi busnesau lleol, ac adfywio ein trefi. Rydym hefyd yn anelu at arwain y gwaith o fynd i'r afael â heriau cymdeithasol megis datgarboneiddio.

Yn 2025-26, byddwn yn parhau i wella mynediad cleifion ar draws yr holl wasanaethau gofal wedi'i gynllunio trwy sicrhau bod ein system yn fwy effeithlon a thrwy weithio'n rhanbarthol. Byddwn yn cefnogi ein gweithlu gan ffocysu ar gynaliadwyedd, lleihau'r defnydd o asiantaethau, a sefydlogi ein timau. Bydd ein system gofal brys a gofal mewn argyfwng yn cael ei hailgynllunio yn unol â nodau cenedlaethol. Byddwn yn cryfhau partneriaethau â byrddau iechyd cyfagos trwy fentrau rhanbarthol megis ARCH a Chyd-bwyllgor Canolbarth Cymru ar gyfer Iechyd a Gofal.

Yn ariannol, rydym yn gweithio tuag at gydbwysedd hirdymor trwy sicrhau arbedion a chydweithredu â Llywodraeth Cymru. Byddwn yn parhau â'n strategaeth ar ei newydd wedd, 'Canolbarth a Gorllewin Cymru Iachach', ein Cynllun Gwasanaethau Clinigol, a'n Cynllun Strategol ar gyfer Gofal Sylfaenol a Chymunedol. Bydd ein hymdrechion hefyd yn canolbwyntio ar ofal iechyd digidol, gofal seiliedig ar werthoedd, ymchwil, arloesi, a rheoli ansawdd.

Wrth i ni symud i mewn i 2025-26, gwyddom y bydd yna nifer o heriau yn ein hwynebu, ond bydd yna hefyd gyfleoedd i'w coleddu. Gyda'n gilydd, gallwn wneud newidiadau ystyrlon o ran symud tuag at ein gweledigaeth o Ganolbarth a Gorllewin Cymru iachach.

GIG CYMRU NHS WALES
Bwrdd Iechyd Prifysgol
Hywel Dda
University Health Board

2024/2025
Annual Report

Hywel Dda University Health Board

hduhb.nhs.wales

Ewch i dudalen 1 am Gymraeg

At a glance

Our Annual Report explains what we do as a health board, the care we provide, how we plan, deliver, and improve your local healthcare services.

It describes our achievements and challenges throughout 2024/25 across a wide range of areas:

About us	Our performance	Governing what we do	Managing our resources	Looking ahead

How to contact us

Publications in print or alternative formats/languages are available on request by contacting us:

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Phone us on: 01267 239554 / 07464 523370

Visit us at: https://hduhb.nhs.wales/

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Hywel Dda University Health Board is a local Health Board established under section 11 of the National Health Service (Wales) Act 2006.

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1. Foreword

Welcome to our 2024/25 Annual Report. This year's report reflects on the past year in terms of our performance, the challenges we have faced, the achievements we have gained and the good progress we have made.

Firstly, we want to express our heartfelt appreciation to all our staff, volunteers, partners and our communities for getting us through what has been another tough year for everyone. Together, we have worked hard to address our financial and staffing pressures, and the ongoing demand on our services, particularly in emergency and urgent care, all while continuing to deliver the best possible healthcare services to our local population.

We particularly wish to thank our patients for your forbearance during times when you have been directly affected by the impact of the pressures on our systems. We know that many of you have waited too long for your care and we are truly sorry for this. We want to reassure you that we are doing everything we can to improve this as quickly as possible.

Despite these challenges, we have improved in some areas, like reducing some waiting times, recruiting more nurses and continuing our community vaccination programme. We have also received and welcomed support from the Welsh Government which has helped us to deal with some of these issues.

We continue to move forward with our plans to build a stronger health system, adapting these when needed. This includes deciding to refresh our strategy 'A Healthier Mid and West Wales' for the current environment, which has changed since we created it six years ago. We have already made progress towards our strategy, for example, supporting more patients in the community, recruiting more nurses, using fewer agency staff, successfully bringing together some services, and reducing the number of patients staying in hospital for a long time. However, challenges have continued, and in some areas worsened.

With that it mind, and given that plans for a new urgent and planned care hospital are likely to be at least 10 years from now (and still subject to funding approval), we need to support services that are currently fragile. We have already started this work through our Clinical Services Plan.

Throughout this annual report, you can read about our performance across a range of areas in more detail, including urgent and emergency care, cancer, planned care, diagnostics, therapies, mental health, neurodevelopmental, infection control, patient experience, workforce and our financial position. We also explain what progress we have made in meeting the requirements of the Well-being of Future Generations Act, how we are developing our Welsh language culture and what actions we have taken to reduce carbon and bring sustainable practices into our day-to-date activities.

In the meantime, some of the key changes we needed to make during 2024/25 include:

- introducing temporary changes to ensure safe care in children's services at Bronglais Hospital and the Minor Injuries Unit at Prince Philip Hospital;
- introducing a new model of care in north Ceredigion providing additional healthcare and support in or close to people's homes;

- responding to General Medical Services contract changes in relation to St David's Surgery and Solva (now Peninsula) GP Surgery, and launching a central waiting list for routine dental care patients.

We made some improvements too, such as:

- re-opening areas affected by the concrete repair works at Withybush Hospital;
- extending the opening hours of our Same Day Urgent Care service in Cardigan, temporarily from January to March, to help relieve pressures on hospital emergency departments;
- introducing a new Fracture Liaison Service across our acute hospital sites;
- proactively caring for people living with frailty, through are Acute Frailty Unit at Withybush Hospital and our South Carmarthenshire Rapid Access Multidisciplinary Services at Prince Philip Hospital;
- providing more than 62,000 patient consultations in our Community Pharmacy Common Ailment Service compared to 43,000 the previous year, and 25,700 consultations in our Pharmacy Independent Prescribing Service, an increase of 12,000 compared to 2023/24;
- implementing the new Dental Access Portal, raising awareness for people to register their interest for routine NHS dental treatment, and providing 14,491 urgent dental appointments across Hywel Dda to ensure access to care for patients with an urgent dental need;
- completing an Eye Health Needs Assessment, as required by Welsh Government, which will help us review of our eye health services and ensure we are meeting the needs of our local population.
- implementing additional optometry services in the community to support patients with medical retina and glaucoma eye care needs, avoiding a hospital visit;
- appointing an Acute Kidney Injury (AKI) nurse specialist, the first role of its kind in Wales;
- supporting children living with asthma through our programme in Pembrokeshire schools;
- beginning our Shades of Green project at Prince Philip and Glangwili hospitals;
- supporting people's health and well-being through arts and creativity, like our Arts Boost programme and our Arts and Health Charter, which is the first in Wales, and
- more teams and services achieving Investors in Carers awards.

We continued to embrace excellent research and development opportunities, securing several funding grants. This year we have shown consistent improvement, helped by a growing team of researchers with dedicated time, in women's health, respiratory, metabolic disorders, orthopaedics and primary care. Three of our clinicians (Alan Treharne, Consultant Gynaecologist, Dr Karen Brown, Clinical Lead for Acute Medicine and Dr Paul Underwood, Consultant Physician) were selected for The Bevan Commission's Fellows programme to lead, research and implement innovative projects to improve people's health and well-being outcomes.

Engaging our communities in shaping future healthcare services continues to be an important focus for us. During the year, we have listened to people's views and ideas about future primary and community care services, changes to inpatient care in Tregaron Hospital, temporary changes to some children's services in Bronglais Hospital and our Minor Injuries Unit at Prince Philip Hospital, and specialist healthcare services for people with learning disabilities.

The dedication, innovation and hard work of our staff has been recognised in many local and national awards. Winners have included our Nuclear Medicine Team's 'Walter the Penguin' video to reassure children in their care; the PROSTAD joint initiative to tackle the delay in diagnosing

prostate cancer; and an initiative to improve how patients with sensory loss access local healthcare services, to name a few.

In addition, our Paediatric Diabetes Team was the best performing in Wales according to figures from the National Paediatric Diabetes Audit (January 2025); we became the first health board in Wales to achieve ‘Autism Understanding’ status; our Health Visiting Service maintained its UNICEF ‘Baby Friendly’ accreditation; and for the fourth year running, our Nutrition and Dietetics Service has retained its top nutritional screeners award, and one of our clinicians, Trudy Smith was appointed as national speciality lead by Health and Care Research Wales.

There has been some Royal recognition to celebrate too, with Carys Davies, Senior Midwife and Neonatal Lead at Bronglais Hospital awarded a British Empire Medal (BEM) in the King’s Birthday Honour List for services to midwifery, and a visit from HRH The Princess Royal to the ongoing build of Bronglais Hospital’s new chemotherapy unit.

Our partners from various sectors play a crucial role in helping us deliver health and care services to our community. In March 2025, we joined partners in signing the Social Model for Health and Well-being Charter in which we commit to building and supporting healthier communities. We deeply appreciate these strong and effective collaborations and welcome the opportunities they bring.

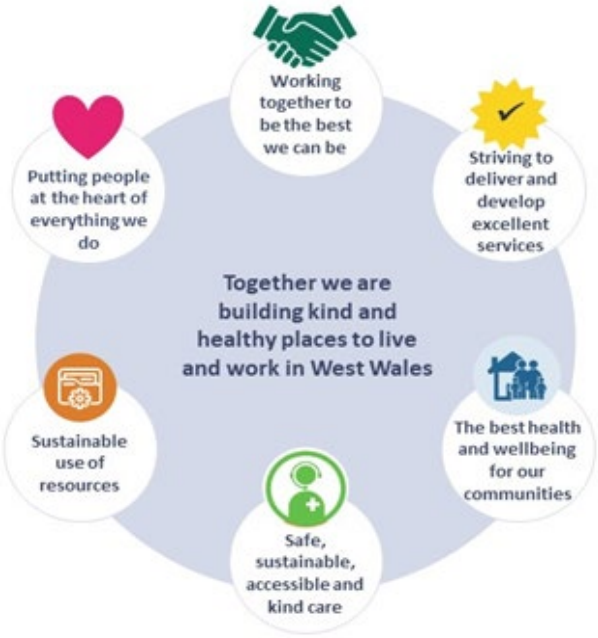
We are extremely proud of and grateful to everyone for all you do to help us provide safe, sustainable, accessible and kind healthcare to people in Carmarthenshire, Ceredigion and Pembrokeshire.

Thank you all.

Dr Neil Wooding
Chair

Professor Phil Kloer
Chief Executive

2. About us



2.1 Our vision

We are working in our communities to provide more joined-up support and care as close to home as possible.

Our hospitals also have an important role to provide quality specialist support when needed, and we want to improve hospital services so they provide you with the very best standards and safety in care, with better outcomes for you.

2.2 Our Board

Governance across the organisation is managed by our executive directors and independent board members.

Our Board meets publicly every two months and is supported by committees and advisory groups. This year, there have been several changes in our Board and Executive, detailed in the Directors' Report. For information about our Board visit our website: https://hduhb.nhs.wales/about-us/your-health-board/board-members/.

2.3 Our structure

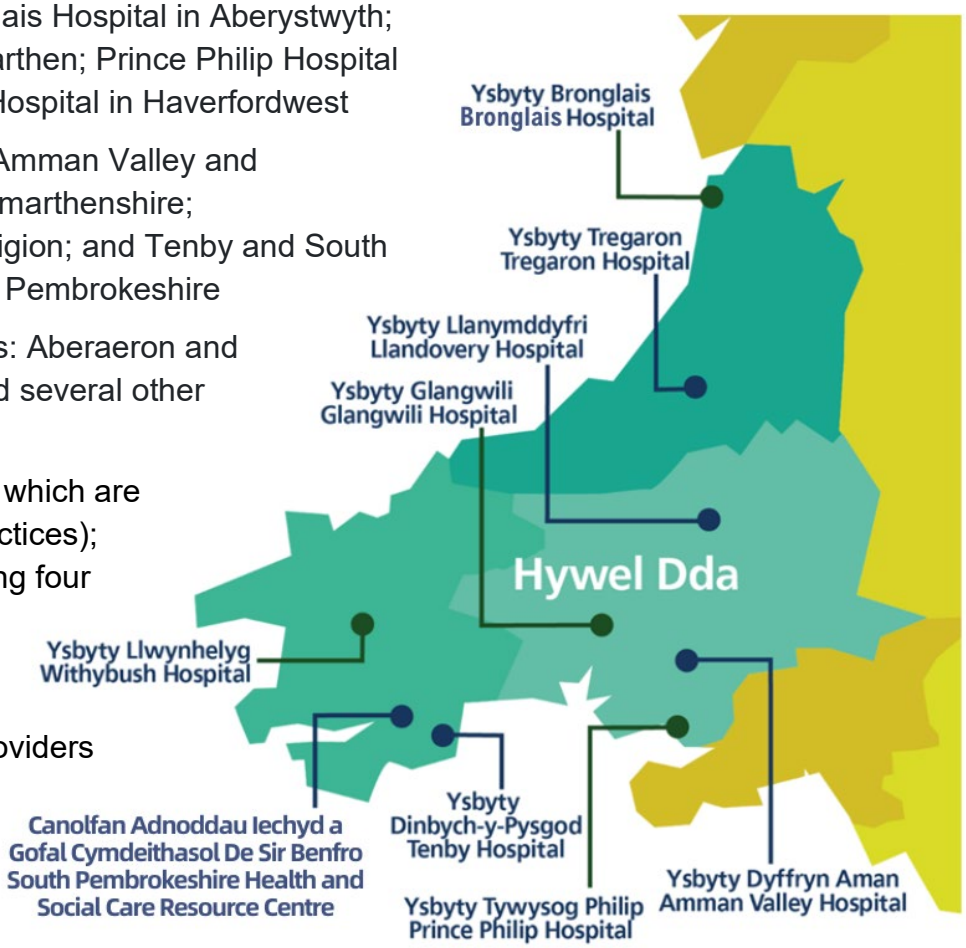
We plan and provide NHS healthcare services for people living in Carmarthenshire, Ceredigion, Pembrokeshire, and bordering counties.

With over 13,000 staff we provide primary, community, acute (in-hospital), mental health and learning disabilities services.

We provide specialised services commissioned by the Joint Commissioning Committee, and Sure Start services with local authorities. We work in partnership with local authorities, as well as public, private and third sector colleagues, including our valued volunteers.

2.4 Our services are provided in:

- Four main hospitals: Bronglais Hospital in Aberystwyth; Glangwili Hospital in Carmarthen; Prince Philip Hospital in Llanelli; and Withybush Hospital in Haverfordwest
- Five community hospitals: Amman Valley and Llandovery hospitals in Carmarthenshire; Tregaron Hospital in Ceredigion; and Tenby and South Pembrokeshire hospitals in Pembrokeshire
- Two integrated care centres: Aberaeron and Cardigan in Ceredigion, and several other community settings
- 47 general practices (six of which are Health Board managed practices); 38 dental practices (including four orthodontic); 97 community pharmacies; 43 general ophthalmic practices; and 8 ophthalmic domiciliary providers
- Numerous mental health and learning disabilities services



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University Health Board

Part 1:
Our Performance

2024/2025

3. An overview of our performance

The performance overview is a summary of the Performance Report. It gives you an overview of the challenges we have faced and how we have addressed them, as well as our achievements and progress.

It also includes a summary of how we have performed against Welsh Government targets, our actions to improve and how we have maintained a focus on safety and quality.

3.1 Statement of our Chief Executive Officer

Our health and care system is facing some of the toughest challenges we've ever seen. Despite making some good progress during 2024/25, the main issues for us in Hywel Dda continue to be staff availability (including social care), costs and inflation, population health and high demand on our services.

Our staff across our organisation have been working incredibly hard to address these pressures and improve people's experience of services. As a result, we have started to reduce some of the backlogs and delays in patient care, but we know there is much more still to do.

We are committed to improving access to services for our patients while also working towards financial stability within our budget. The Welsh Government set a 'control total' for us, recognising a short-term deficit of £44.8m. Following additional funding from Welsh Government, our deficit for the year ending 31 March 2024 reduced from £64m to £31.55m.

All health boards in Wales need to create a three-year plan called an Integrated Medium-Term Plan (IMTP) and get it approved by the Welsh Government. This plan must be financially balanced over the three years. However, in January 2024, we recognised that we would not be able to submit a balanced IMTP by the end of March 2024 and so instead, we produced a one-year Annual Plan for 2024/25.

Our main goal of this plan is to sustain high quality and safe services within our organisation's financial limits. More detail on our performance across a range of areas can be found in the Performance Report from page 67.

The plan focused on a smaller set of objectives to make sure we could achieve them within the year. These objectives were aligned with the Welsh Government's priorities and included:

Value and sustainability		
Planning objective 1	**Workforce stabilisation** Ensuring we have enough staff and reducing reliance on agency staff	Critical enabler
Planning objective 2	**Financial recovery and route map** Creating a clear path to improve our financial health	Statutory duty

Quality and performance		
Planning objective 3	**Transforming urgent and emergency care** Improving how we handle urgent and emergency cases	Ministerial priority
Planning objective 4	**Planned care, diagnostics and cancer** Enhancing access to planned treatments and care	Ministerial priority
Planning objective	**Mental health and CAMHS** Improving mental health and child and adolescent mental health services (CAMHS)	Ministerial priority
A Healthier Mid and West Wales		
Planning objective 6	**Clinical Services Plan** Developing a plan to address service fragilities	Service fragilities
Planning objective 7	**Primary and Community Strategic Plan** Creating a strategy for primary and community care	Ministerial priority and service fragilities
Planning objective 8	**Estates plans** Addressing issues with our buildings and facilities	Estate fragilities
Planning objective 9	**Digital plan** Enhancing our digital capabilities	Critical enabler
Planning objective 10	**Population health** Focusing on keeping people healthier for longer	Long-term sustainability

Our aims for 2024/25 were therefore to:

- improve our financial position and work towards a balanced budget;
- stabilise our nursing workforce and reduce medical agency spending;
- improve patient access to planned care, including cancer treatments, referral to treatment waiting times and diagnostics;
- continue transforming urgent and emergency care;
- complete phase two of our Clinical Services Plan (options development);
- create a strategic plan for primary and community care;
- implement a new organisational structure, with enhanced clinical leadership and governance.

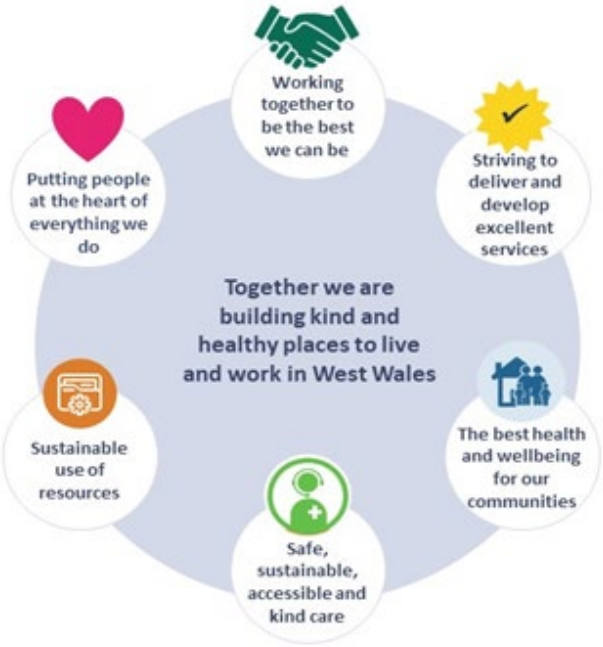
We have a robust accountability system to manage our progress, tracking 56 criteria across six key areas. This system ensures clear lines of accountability and regular reviews to maintain momentum and address any issues promptly, as part of Welsh Government's 'targeted intervention' support.

Three areas have now been de-escalated from targeted intervention to enhanced monitoring (level 3), reflecting the progress our teams made in these areas. The areas are Child and Adolescent Health and Mental Health (CAMHS), planned care, and leadership and governance. The rest of the organisation remains in targeted intervention, which means we must continue to drive improvements, address key concerns, and maintain the highest standards of patient care.

In terms of savings, we have successfully delivered over £30m of savings and significantly reduced our reported deficit to £24.1m. We have also seen improvements in stabilising our workforce through international recruitment and reduced agency reliance, mental health services consistently exceeding targets and progress in infection control measures.

Overall, while we still face significant challenges, our structured approach and focused objectives provide a solid foundation for sustainable improvement, financial stability and the basis for our 2025/26 Annual Plan.

We've prioritised objectives aligned with the Planning Framework, Ministerial priorities, and essential initiatives. This includes developing our Clinical Services Plan to address current operational challenges and provide a roadmap for our services in the short and medium term.



Alongside this work, our Board agreed in November 2024 to refresh our strategy 'A Healthier Mid and West Wales' (published in 2018), which aims to provide people with the safe, quality, sustainable and preventative care they deserve, in community settings whenever possible.

This is not a radical change of direction, but instead a review of how we deliver the strategy in the current environment, which is different to what it was six years ago. We look forward to engaging and working with our staff, patients, partners and our local communities on refreshing our strategy in the year ahead.

We have already made progress towards the strategy, for example, supporting more patients in the community, improving nursing staff sustainability and successfully bringing together some services. However, challenges have continued, and in some areas worsened.

A key part of our strategy would see a new urgent and planned care hospital built in the south of the Hywel Dda area, though, this is likely to be at least 10 years from now and funding has yet to be agreed. So, in the meantime, we need to support services that are currently fragile and this work has already begun through our Clinical Services Plan.

Our approach and progress on these priorities is described in more detail in this Annual Report.

The Health Board considers the adoption of the going concern basis to be appropriate and will continue to operate its business for the foreseeable future. We are not aware of any circumstances that would call this into doubt.

Professor Philip Kloer
Chief Executive

3.2 Our strategic journey

3.2.1 A Healthier Mid and West Wales

Our vision is to provide more preventative care and delivery in community settings whenever possible.

In 2018, we published our strategy 'A Healthier Mid and West Wales' and while we have made significant progress towards this, such as supporting more patients in the community, improving nurse staff sustainability, and successfully bringing together some services, many challenges remain and have worsened in some areas.

We need to refresh our strategy and consider further changes needed to provide safe, quality, and sustainable care for our population. We will engage and work with our communities of staff, patients, partners and our local population on refining our strategy together.

A key part of the existing strategy is our plan for a new urgent and planned care hospital in the south of the Hywel Dda area. However, it is now highly unlikely that the new hospital would be operational for at least a decade following the delays brought on by the pandemic and other factors.

This means that we need to consider some of the key service changes now, ahead of a new facility and within our existing hospitals. Work to support fragile services in the interim of a new hospital has already begun through a programme of work called the Clinical Services Plan (detailed below).

3.2.2 Developing a Strategic Plan for Primary and Community Care

We are developing a strategic plan for primary care services (these are contractor services such as GP practices, dental services, optometric practices, and community pharmacies) and community care.

We have engaged with our staff and communities in Autumn 2024 as part of the 'My Health, My Choice' programme. Common themes that arose from the feedback include support for more

integrated ways of working, improving access to care, as well improving knowledge on the range of community and primary care services available. We are now developing the options for future primary and community services.

3.2.3 Our Clinical Services Plan

Our Clinical Services Plan focuses on nine healthcare services in greatest need of change to ensure their safety and future sustainability. Services included in the Clinical Services Plan are critical care, emergency general surgery, stroke, endoscopy, radiology, dermatology, ophthalmology, orthopaedics, and urology. These nine clinical services were chosen because of the risks of them being able to continue to offer safe, quality services or timely care.

Our long-term plans for services remain as set out in our ‘A Healthier Mid and West Wales’ strategy. However, a key enabler of this strategy is our plan to build a new urgent and planned care hospital in the south of the Hywel Dda area. Financial support for a new hospital is not yet secured and it could take at least ten years to complete a new hospital, if funded. We need to consider how we provide our services in the meantime.

The Clinical Services Plan aims to address service fragilities, so that we can provide safe and sustainable care to our communities, improve standards, and reduce the time people are waiting for treatment.

The plan in stages

Phase one of our Clinical Services Plan explored the issues affecting the nine service areas. A paper was produced to highlight the range of issues that impact on our services and includes the feedback received through staff, patient and contractor surveys. The issues paper was presented to our public Board meeting on 28 March 2024 and is available to read here: https://hduhb.nhs.wales/clinical-services-plan-issues-paper-pdf/

Phase two of the Clinical Services Plan began with a ‘deliberative event’ to find services and organisations that depend on each other. Patient representatives reviewed the issues and shared ideas to solve the challenges faced. At a range of different workshops between February 2024 and September 2024, the nine service areas worked to develop draft options to address these issues and improve services. The Clinical Services Plan programme focuses on providing care that is safe, sustainable, accessible, and kind.

Workshops brought together smaller groups of staff from each of the nine service areas, alongside colleagues from connected services, for focused collaboration. A long list of five potential options was developed, and four options continued to the shortlisting stage. All options had to meet certain criteria, to ensure they were clinically sustainable, deliverable, accessible, strategically aligned and financially viable.

Some workshops involved a wider range of staff, patient representatives, and stakeholder representatives to ‘check and challenge’ the work the smaller group carried out. This allowed a broader range of viewpoints to be considered in developing and scoring the options.

The scoring of options in the shortlist and identification of interdependent services and organisations, was completed on 6 September 2024. In November 2024, Board members received a Closing Report that summarised the work that had taken place during phase one and phase two

of the Clinical Service Plan programme. The report is available to read here.

We are currently in phase three of the Clinical Services Plan programme. The shortlisted options have been tested further with senior operational and clinical leads, including representation from the nine services.

Next steps

In January 2025, our Board approved the proposal for a public consultation to engage on the options to deliver care across the nine clinical services. This is in accordance with the Welsh Government Guidance for Engagement and Consultation on Changes to Health Service. The consultation will run for 12 weeks from Monday 2 June 2025 to Sunday 31 August 2025 and will be supported by independent quality assurance and consultancy services.

Whilst the options are being finalised, there are currently no preferred solutions. Additional options or ideas submitted by our communities will also be considered as part of the consultation process. The consultation will seek to gather people's views on their preferred options for each of the nine service areas, how they are delivered in our hospitals, and concerns around any of the options or the impacts they may have.

There will also be consultation on the future role of our acute hospitals going forward: Glangwili Hospital and Prince Philip Hospital in Carmarthenshire, Bronglais Hospital in Ceredigion and Withybush Hospital in Pembrokeshire.

The consultation is a key part of our commitment to ensuring that all voices are heard in shaping the future of healthcare in the region.

Further information about the Clinical Services Plan is available here: https://hduhb.nhs.wales/about-us/healthier-mid-and-west-wales/clinical-services-plan/

3.3 Engaging with our local communities

It is important that we listen to, and take action on, the views, opinions and ideas of people in our communities in helping us to improve what we do. We want local people to have an opportunity to have their say in how local health services are planned, developed and delivered. During 2024/25, we engaged with people on the following key areas.

3.3.1 Improving our clinical services

In March 2023, our Board decided to create a plan to improve nine key health services: critical care, dermatology, emergency general surgery, endoscopy, ophthalmology, orthopaedics, radiology, stroke and urology.

By March 2024, we had identified the main issues affecting these services and held workshops with staff and patients to come up with ideas for improvement. Representatives from seven different localities also joined three workshops to share their thoughts. The final workshop for this phase of the programme happened in September, where we assessed and scored potential options for each service. At its meeting on 30 January 2025, our Board approved a timeline for public consultation on the plan, starting in May 2025 for 12 weeks. During this time, we will ask people across our organisation and our communities for their opinions on how we can improve these nine services.

Click here to read more about our Clinical Services Plan.

3.3.2 Our plan for better primary and community care

From 2 September to 11 October 2024, we held our ‘My Health, My Choice’ engagement exercise to gather people’s views on delivering future primary care and community-based healthcare services. The events showcased services from various public and third sector providers. Seven public drop-in and two online events were held in primary care cluster areas, attended by over 200 people, including: Tywi/Taf, Llanelli, Aman-Gwendraeth, South Pembrokeshire, North Pembrokeshire, South Ceredigion, and North Ceredigion.

Emily and Margaret pictured right chatting with our South Ceredigion Frailty Team at the primary and community care well-being event in Llandysul in September.

Four targeted sessions were also held with specific groups: Sign and Share Club, Pembrokeshire People First, Portfield School, and Ysgol Heol Goffa. Click here for further information about this plan.

3.3.3 Phlebotomy services in Llanelli

A public engagement period about the impact on patients of moving blood test services from the Antioch Centre to the Mass Vaccination Centre at Dafen in Llanelli ran from 29 April until 26 June 2024. Two drop-in events were held on 8 and 14 May at the Antioch Centre, Llanelli, with a supporting survey. 81 survey responses were received.

3.3.4 St David's Surgery, Pembrokeshire

We held a public engagement process between 13 May and 19 June 2024, to determine the future of General Practice (GP) services for the patients of St David's Surgery in Pembrokeshire. This followed the resignation of the General Medical Services (GMS) contract by the single-handed GP with effect from 31 October 2024.

Over 500 people attended our drop-in event held at City Hall, St David's on 14 June 2024. In addition, the GP practice sent a survey to all patients, which was also available online, and received 1,072 responses. A dedicated session with St David's Care in the Community residents (people with learning disabilities) was held on 10 June 2024, with 15 residents and four staff sharing their views.

3.3.5 Inpatient beds at Tregaron Hospital, Ceredigion

During a four-week engagement period in August 2024, we invited feedback on removing nine inpatient beds at Tregaron Community Hospital and replacing them with community services in Ceredigion. The proposal, part of the Cylch Caron project and in line with our vision for a healthier mid and west Wales, aims to move inpatient care to people's homes. Public events included a drop-in at Tregaron Memorial Hall and an online event, alongside a survey, receiving 174 responses.

On 26 September 2024, the Health Board approved the community healthcare model, replacing inpatient beds with home-based care in north Ceredigion.

As part of the Cylch Caron project, an integrated resource centre will be developed in partnership with Ceredigion County Council, the Health Board and the Welsh Government, to provide care, health and housing services in a central hub for Tregaron and surrounding areas.

3.3.6 Chemotherapy Day Unit, Bronglais Hospital, Aberystwyth

Our Bronglais Hospital Chemotherapy Day Unit (CDU) project aims to establish a new anti-cancer therapy unit in Aberystwyth. Since November 2021, we have kept local communities updated on the project's progress together with our Hywel Dda Health Charity.

A public task and finish group is working on the arts element, focusing on the colour scheme and participatory activities. This included a questionnaire to gather feedback between 18 October and 25 November 2024. Responses showed that the project looked good but took longer than expected, and the improved environment would enhance care and provide a more relaxed experience for patients.

3.3.7 Minor Injuries Unit, Prince Philip Hospital, Llanelli

Our Board approved a temporary overnight closure of the Minor Injury Unit at Prince Philip Hospital from 1 November 2024. Before the temporary closure, we held a drop-in event at the Antioch Centre in Llanelli on 23 October 2024 to explain the reasons for the change. The event was attended by 119 people. We also met with Llanelli Rural and Llanelli Town councils as part of our engagement process, and ran a survey for local people to share their views.

We created an Options Development Group, including membership from Llais West Wales, Save Our Services Prince Philip Action Network (SOSPPAN), the local community, staff and partners, to consider and evaluate a longlist of potential options for the future of the Minor Injury Unit.

Two more public drop-in events were held on 6 and 17 March 2025 in Llandybie and Llanelli, along with an online meeting for councillors before our public Board meeting on 27 March 2025 to review shortlisted options and agree next steps. On 27 March 2025 our Board agreed to proceed with a public consultation in spring of this year on four options developed, and invited new ideas that have not yet been considered.

Around 2,000 local people, including families like Stephanie Roberts from Llanelli and Emily Williams from Garnant (pictured right), continued to have their minor injuries treated at Prince Philip Hospital's Minor Injury Unit in the first month of the temporary changes to opening times.

3.3.8 Community Development Outreach Team

Our Community Development Outreach Team regularly engages with diverse communities and vulnerable groups across our three counties to understand and improve access to healthcare. We aim to break down barriers and inequalities, serving as a bridge between communities and the Health Board. These groups include Gypsies, Roma, Traveller communities, the homeless, vulnerably housed, asylum seekers, refugees, and Black, Asian and minority ethnicities.

3.3.9 Pembrokeshire County Show

The 2024 county show was a chance for us to talk with people and share information about our services. Held in mid-August, our show stand featured various Health Board teams, including diabetes, school nursing, immunisation, future workforce, community cardiology, waiting list support, Pembrokeshire management, Narberth surgery, community occupational therapy, community development outreach, recruitment, organ donation, engagement and communications.

How to get involved

If you are interested in taking part in future engagement activities or you would like to keep up-to-date with the Health Board's work, you can join our Hywel Dda engagement scheme Siarad Iechyd/Talking Health.

4. Our performance

4.1 Quality and safety

Providing high quality care is a complex and fragile process. Throughout 2024/25, we have continued to review and identify areas for improvement to ensure we can meet our duty of quality and provide quality services for our patients across the Health Board.

This Performance Report reflects the actions we have taken, and continue to take, to improve the quality and safety of the care and services we provide for our local population.

Further information on our quality governance arrangements can be found in the Accountability section of this Annual Report.

Our amazing Maternity and Neonatal Risk and Governance Team won three awards at the 2025 UK MUM (Maternity Unit Marvels) Awards™ in recognition of the role they play in improving safety for mums-to-be (pictured right).

This year, we are producing our Annual Quality Report, our Duty of Candour Annual Report and our Putting Things Right Annual Report, all of which will be available once published, on our website: https://hduhb.nhs.wales/quality-and-engagement-act/

These reports detail the improvements we have made to ensure our services are safe, timely, effective, efficient, evidence-based and person-centred, in line with the Duty of Quality: https://hduhb.nhs.wales/duty-of-quality/

4.2 A summary of our performance

The table below summarises performance against our key improvement performance measures for 2024/25. These include measures relating to our enhanced monitoring (targeted intervention) by Welsh Government, and relating to actions in our Annual Plan 2024/25 known as 'accountability conditions', along with the Minister for Health and Social Care's priorities for this financial year.

Details about why we use statistical process control (SPC) charts, can be found here.

Variation - how are we doing over time
- Improving variation
- Usual variation
- Concerning variation

Assurance - performance against target
- Always hitting target
- Hit and miss target
- Always missing target

Trajectory - performance against our ambition
- Trajectory met
- Within 5% of trajectory
- More than 5% off trajectory

Topic	Area for improvement	Latest period	Target	Actual	Variation	Assurance	Trajectory
Cancer	% pts on single cancer pathway within 62 days	Feb 2025	75%	64%			
Delayed discharges	Number of Pathways of Care delayed discharges	Mar 2025	n/a	218		N/a	
Diagnostics	Pts waiting 8 wks+ for specified diagnostic	Mar 2025	0	4,851			N/a
Finance	Financial in month deficit	Mar 2025	n/a	£3,360,000		N/a	
Infections	E. coli: Number of confirmed cases (in-month)	Mar 2025	21	40			N/a
Infections	S. aureus: Number of confirmed cases (in-month)	Mar 2025	6	9			N/a
Infections	C. difficile: Number of confirmed cases (in-month)	Mar 2025	8	11			N/a
Mental health (includes neuro)	% adult psychological therapy waits <26 weeks	Mar 2025	80%	59.8%			
Mental health (includes neuro)	% child neurodevelopment assess waits <26 weeks	Mar 2025	80%	24.3%			
Mental health (includes neuro)	% MH assess within 28 days (age 0-17)	Mar 2025	80%	98.4%			
Mental health (includes neuro)	% MH assess within 28 days (age 18+)	Mar 2025	80%	96.2%			
Mental health (includes neuro)	% therapy interven post LPMHSS assess (age 0-17)	Mar 2025	80%	90.4%			
Mental health (includes neuro)	% therapy interven post LPMHSS assess (age 18+)	Mar 2025	80%	96.7%			
Planned care	Waits over 52 weeks: new outpatient appointment	Mar 2025	0	0			N/a
Planned care	Patients waiting 104 weeks+ RTT	Mar 2025	0	0			
Planned care	Patients waiting over 52 weeks RTT	Mar 2025	0	12,202			N/a
Planned care	Follow-up appts - delayed >100%	Mar 2025	0	16,504			N/a
Planned care	% R1 eyecare appts attended in target or 25% delay	Mar 2025	95%	57.5%			N/a
Therapies	Pts waiting 14 wks+ for specified therapy (Exc. Audiology)	Mar 2025	0	2,216			
Urgent and emergency care	% Ambulance red call responses < 8 mins	Mar 2025	65%	51.7%			N/a
Urgent and emergency care	Ambulance handovers > 1 hour Hywel Dda	Mar 2025	0	988			
Urgent and emergency care	Ambulance handover > 4 hours Hywel Dda	Mar 2025	0	343			N/a
Urgent and emergency care	% patients spending <4 hours in A&E/MIU Hywel Dda	Mar 2025	95%	68.8%			N/a
Urgent and emergency care	Patients spending > 12 hours in A&E/MIU Hywel Dda	Mar 2025	0	1,412			
Workforce	% sickness absence rate of staff	Mar 2025	4.79%	6.60%	N/a	N/a	N/a

Further details on the measures above, and the issues and risks that impacted our performance in 2024/25, are detailed in the section below.

4.3 Our performance assessment (key priorities, performance, challenges and risks)

4.3.1 Urgent and emergency care (including the national six goals)

Our vision for urgent and emergency care is to provide accessible, timely, and close-to-home services, following the Welsh Government's National Six Goals Framework (https://www.gov.wales/six-goals-urgent-and-emergency-care-policy-handbook-2021-2026). Health and care organisations are working together to ensure people get the right care, in the right place, at the right time.

All services, whether community or hospital based, saw an increase in demand, particularly during the winter months when cases of flu, RSV (human respiratory syncytial virus) and Norovirus were high.

We've been listening to our patients, carers and partner organisations to improve access to urgent and emergency care. We know that being in our hospital sites, especially our emergency departments, at times of extreme pressure, can be a difficult experience for everyone, in particular our patients who are ill or in pain. We apologise to anyone who has a poor experience when using our services and we are constantly striving to improving this.

Despite this, we've made significant progress over the past year. We set up three 24/7 urgent care hubs in Carmarthenshire, Pembrokeshire and Ceredigion. Working with GPs, ambulance services and community nurses, these hubs help avoid unnecessary hospital admissions by providing advice and visits, averaging 500 prevented admissions each month.

We've also focused on enhancing our Same Day Emergency Care (SDEC) and Same Day Urgent Care (SDUC) services. This year, we extended these services to weekends and opened a new SDEC for surgical patients at Glangwili Hospital.

In terms of inpatient care, we've worked to improve patient flow from admission to discharge. Our goal is to ensure patients receive the best care and are discharged when ready, reducing unnecessary hospital stays. We've created discharge information for patients and staff, and implemented an electronic system to support patient flow.

Our Hospital@Home service has been expanded to provide hospital-level care at home for patients with acute medical issues. We've also secured funding to test technologies that help patients stay at home, like remote monitoring of heart rate and blood pressure.

These efforts have made a noticeable difference. The number of ambulances waiting over an hour to hand over patients has decreased, indicating better emergency department performance.

Fewer people are staying in the hospital for over 21 days, which improves hospital flow and frees up emergency department space.

Additionally, the number of people ready to leave the hospital but delayed due to various reasons has reduced, allowing for earlier and safer discharges.

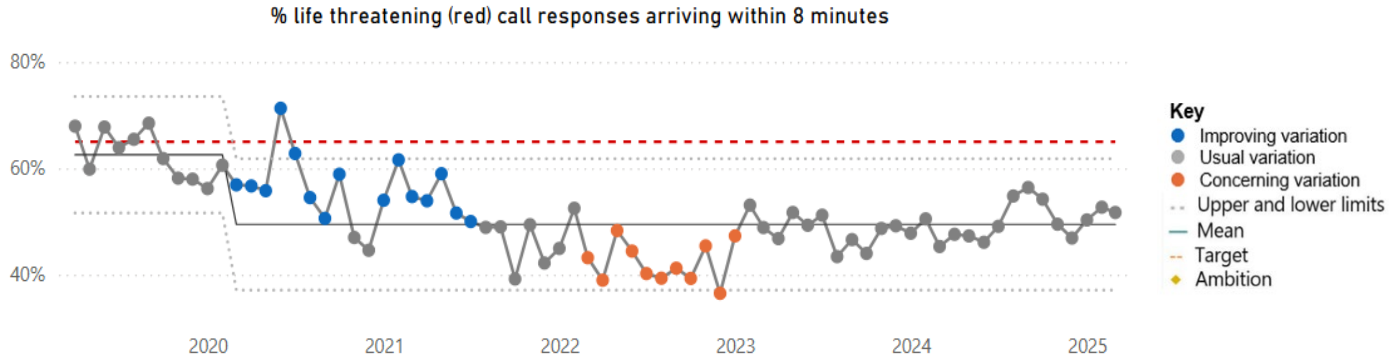
% life threatening ambulance calls responded within 8 minutes

In 2024/25, we aimed to respond to as many calls as possible within 8 minutes, hoping to hit the national target of 65%. By the end of March, we managed to meet this goal for 51.7% of calls (367 out of 710).

The main reasons we couldn't respond to life-threatening calls within 8 minutes were:

- No available response vehicle at an approved location, often because vehicles were held at hospitals waiting to hand over patients.
- A vehicle was at the nearest approved location, but the incident was too far to reach within 8 minutes.

To tackle these challenges, the Welsh Ambulance Service NHS Trust uses a weekly review of the national framework called the Resource Escalation Action Plan (REAP). This helps us maintain an effective and safe response, manage service pressures, and dynamically review demand and area-specific issues. We also have a Clinical Safety Plan, work together to improve patient pathways, and use Advanced Paramedic Practitioners for pre-hospital clinical screening to avoid unnecessary admissions.



Ambulance to hospital handovers taking longer than 1 and 4 hours, and patients waiting in emergency departments (A&Es) / minor injuries units (MIUs)

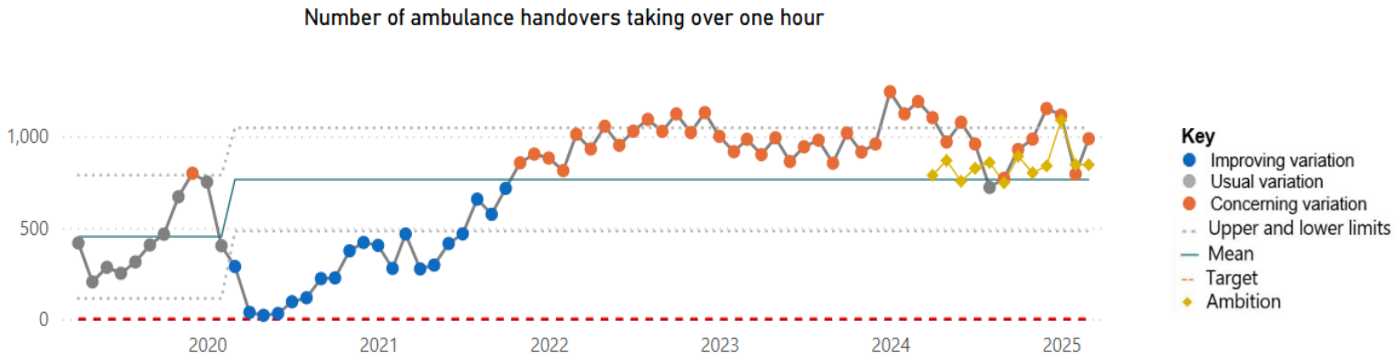
Our main aim is to speed up the handover of patients from ambulances to our A&E/MIU staff and reduce the time patients spend waiting in A&E/MIU.

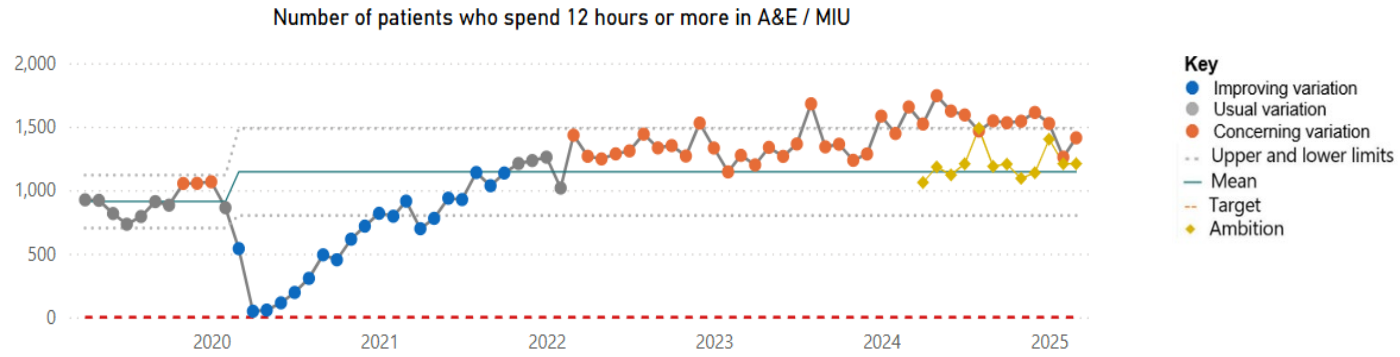
In 2024/25, our performance was up and down and didn't improve as much as we hoped. By March 2025, there were 988 ambulance handovers that took over an hour (our target was zero) and 343 that took over four hours (target was zero).

However, fewer patients waited in A&E/MIU for over 4 and 12 hours. About 69% of patients spent less than 4 hours, but 1,412 patients still waited over 12 hours by March 2025.

We're working on several initiatives to ease the pressure on our A&E/MIUs and improve patient experience:

- We have protocols to prioritise handovers from high-priority ambulances (Red: 8 minutes, Amber 1: 20 minutes) to free up vehicles quickly.
- Same-day emergency and urgent care pathways have reduced the number of patients coming into A&E/MIU.
- We've set up urgent care hubs to review GP referrals and ambulance calls to see if patients need to go to hospital or if they can get alternative care.





Number of patients in hospital with a delayed discharge

We carry out daily internal reviews to understand why there are delays in patient discharges and try to fix these issues whenever possible. Although the number of delayed discharges slightly decreased from 220 in March 2024 to 218 in March 2025, the main reason is due to assessment delays. To address this, we've increased the number of Trusted Assessors, who work to prevent delays by removing barriers that slow down patient referrals to other teams or services.

The Health Board and local authorities meet weekly to discuss and monitor actions for patients with delayed discharges and those with longer-than-expected hospital stays. We continue to work closely with local authorities, third sector and independent sector partners, such as care homes and the Welsh Ambulance Service NHS Trust, to ensure smooth patient flow, safe transfers, and better community care.

4.3.2 Cancer

% patients on single cancer pathway starting treatment within 62 days

We aim to increase the percentage of patients who start their first definitive treatment within 62 days from the point of suspicion. In the last 12 months, our performance has varied and we haven't met the national target of 75%. However, thanks to various improvement actions, we've seen encouraging signs of progress recently, with March 2025 showing the best performance of the year at 65.5%.

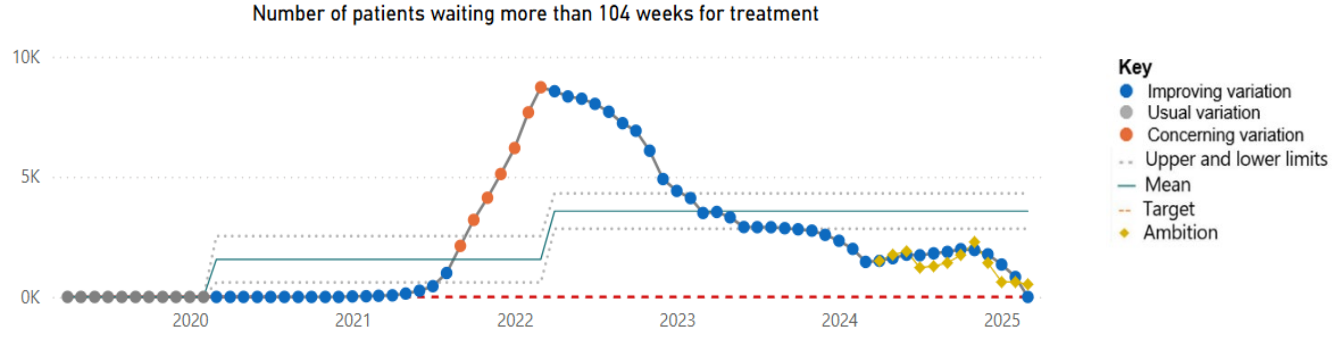
We receive around 2,000 referrals each month. Urology and lower gastrointestinal pathways still have the highest number of patients waiting over 62 days from referral to treatment. The biggest challenges have been capacity and staffing shortages in our radiology diagnostic services. To address this, we've implemented recovery plans across all cancer pathways to increase the percentage of patients starting treatment within 62 days, with extra investment and capacity directed to our most challenged areas. We'll continue focusing on this in 2025/26 to further improve our performance and patient experience.

4.3.3 Planned care, diagnostics and therapies

New outpatient appointment waits over 52 weeks
Referral to Treatment (RTT) waits over 52 weeks
Referral to Treatment (RTT) waits over 104 weeks
Follow ups delayed over 100% of target date

Our main goal is to reduce the longest waiting times for our patients. In August 2024, we eliminated waits over three years and continued our recovery efforts through to March 2025. By then, we were one of only two health boards in Wales to ensure no patients were waiting longer than two years for treatment, no patients were waiting longer than one year for a new outpatient appointment, and we had the lowest number of patients waiting over one year for treatment compared to the rest of Wales.

While the number of patients waiting for a follow-up outpatient appointment is much lower than elsewhere in Wales, the number of patients whose follow-up appointment is delayed by 100% stayed the same throughout the year, totalling 16,504 in March 2025. However, our clinical teams made significant progress by implementing new, innovative approaches to reviewing patients, including extensive use of ‘See On Symptoms (SOS)’ and ‘Patient Initiated Follow Up (PIFU)’ pathways. These pathways allow patients to contact our teams when their symptoms or conditions change.



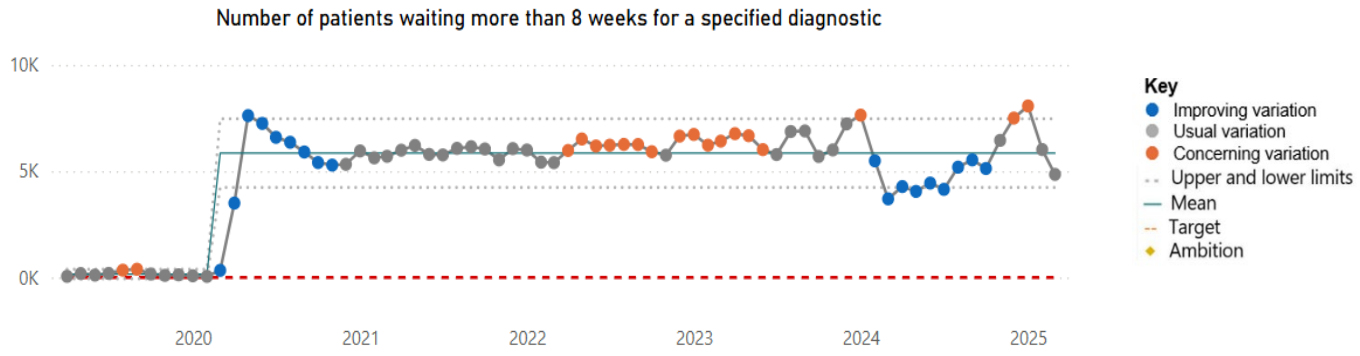
Ophthalmology R1 (high-risk) patients attending appointments without significant delay from their target date (delayed no more than 25% beyond their target date)

Our main aim is to increase the percentage of high-risk (R1) ophthalmology patients who attend their appointments without significant delay from their target date (delayed no more than 25% beyond their target date. Unfortunately, we didn't achieve this, with 57.5% of R1 appointments attended within the 25% delay by March 2025.

Workforce challenges have limited our capacity for R1 patients with glaucoma and those needing Intravitreal Injection Therapy (IVT). To improve performance, we're working on several actions, including a shared approach between hospital and community-based optometrist eye care teams, improvements to the glaucoma patient pathway, staff recruitment, and training. Additionally, short-term funding provided extra appointments in the private sector for some IVT patients during the latter part of 2024/25. We expect planned investment into long-term dedicated space for ophthalmology appointments within our Health Board through 2025/26 to positively impact overall R1 performance.

Number of patients waiting 8 weeks and over for a specified diagnostic test

We aim to have no patients waiting 8 weeks or more for a diagnostic test. This was not achieved, with 4,851 patients waiting by end of March 2025. The diagnostic services with the most patients waiting over 8 weeks are radiology (4,587), cardiology (150), and endoscopy (72).



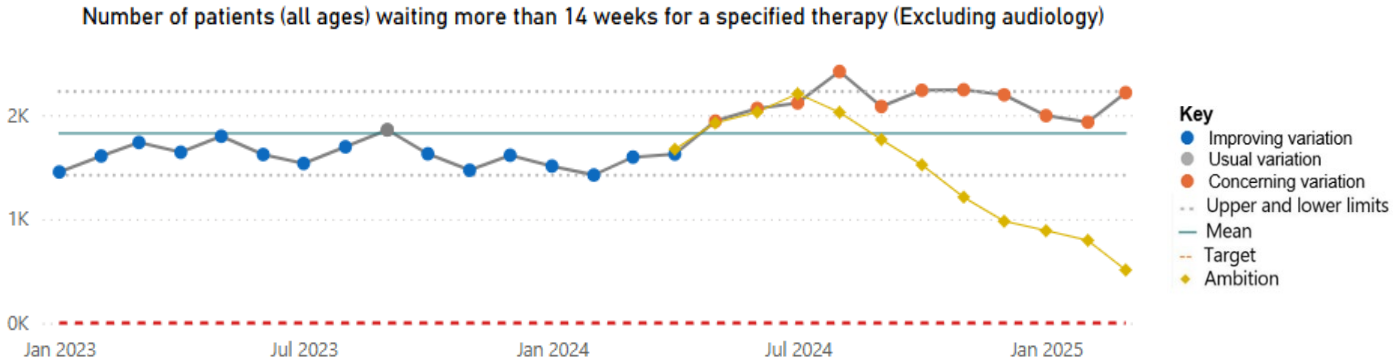
Radiology faced higher demand than capacity, especially in non-obstetric ultrasound, MRI, and CT, leading to more patients waiting over 8 weeks. Staffing shortages also affected obstetric ultrasound services. Since December 2024, performance has improved thanks to recovery actions like adding more ultrasound capacity, a mobile MRI unit, locum consultant radiologists, and extra agency staff.

Cardiology also had higher demand than capacity. In echocardiography, we needed alternative plans to address staffing gaps. Cardiologist job plans were reviewed and continue to be adjusted to reduce the number of patients waiting over 8 weeks. We also brought in additional physiologists to help meet the demand for heart rate and blood pressure monitoring.

Endoscopy demand previously exceeded the service's capacity to provide timely access. Over the past year, we prioritised additional investment to increase capacity. Now, service capacity matches projected demand.

Number of patients waiting 14 weeks or more for a specified therapy

Our key aim is to reduce the number of patients waiting 14 weeks or more for a specific therapy to 510 by 31 March 2025. Unfortunately, we didn't meet this goal, with the actual number being 2,216 in March 2025. The highest numbers of patients waiting 14 weeks or more were in physiotherapy (1,192), podiatry (570), and occupational therapy (322).



Physiotherapy faced staff recruitment challenges in the community and musculoskeletal (MSK) service, with demand exceeding capacity in 2024/25. To address this, we've launched a targeted recruitment campaign, developed a short-term staff bank system, used agency staff to support vacancies, and started an MSK telephone triage pilot to guide patients to self-care resources.

Podiatry has also struggled with staff recruitment and increased demand due to chronic vascular and diabetic foot issues throughout 2024/25. We're mixing skills among existing staff across all areas of podiatry, recruiting to fill vacancies, managing patient waiting lists, and maintaining open access (no appointment needed) walk-in clinics for high-risk lower limb problems. Our telephone triage has been well received, allowing quicker access and maximising capacity.

Occupational therapy has a large backlog of patients in paediatrics, worsened by staff sickness and vacancies. We've continued to prioritise patients, manage staff sickness according to policy, and recruit to address capacity shortfalls.

4.3.4 Mental health

% adults and children having a mental health assessment within 28 days of referral

Our goal is to increase the percentage of adults and children getting a mental health assessment within 28 days of referral, aiming for the national target and our own ambition of 80%. By the end of March, we met the national target and achieved our performance aims for March 2025:

- 96.2% for adults at March 2025
- 98.4% for children at March 2025

Despite challenges with recruitment, staff absence, and accommodation, we continue to improve efficiency by using the Welsh Patient Administration System (WPAS) to record all clinical activity. This helps with demand and capacity planning. We've also established access arrangements, rolled out digital platforms, offered individual and online group work, and held contract monitoring meetings with external providers. Referrals are risk-assessed to prioritise urgent cases.

% adults and children starting therapeutic interventions within 28 days following a Local Primary Mental Health Support Service (LPMHSS) assessment

Our aim is to increase the percentage of adults and children starting therapeutic interventions within 28 days after an LPMHSS assessment, to achieve the national target and meet our own ambition of 80%. By the end of March, we met the national target and achieved our aims for March 2025:

- 96.7% for adults at March 2025
- 90.4% for children at March 2025

We keep a close eye on performance to ensure patients get an initial appointment within 28 days, set goals, and agree on self-management steps, with further intervention arranged as needed. We've introduced Cognitive Behavioural Therapy (CBT) groups for adults and are trialling group programmes for children and young people, including online group and individual work. Challenges include staff absence, increased demand, and access to rooms in GP surgeries or other suitable locations. However, we've implemented a new system after reviewing care pathways across the service to improve oversight and ensure we stay on track.

% adults waiting less than 26 weeks for a psychological therapy

Our goal is to increase the percentage of adults waiting less than 26 weeks for psychological therapy, aiming for the national target of 80% and our own ambition of 61%. By the end of March, we narrowly missed our ambition, and the national target was not met: 59.8% at March 2025, compared to 48.5% in March 2024.

The improvement is linked to rolling out group therapies as part of the patient journey in psychological therapies, offering one-to-one sessions when needed, providing remote sessions, and recruiting to fill vacancies. We've also adopted a ‘Grow your Own’ initiative to address long-term workforce challenges. Challenges include staff absence and a higher number of complex cases, including court protection work. To manage these, we've consolidated the waiting list across the three counties and used practitioners across the service to prioritise the most urgent cases.

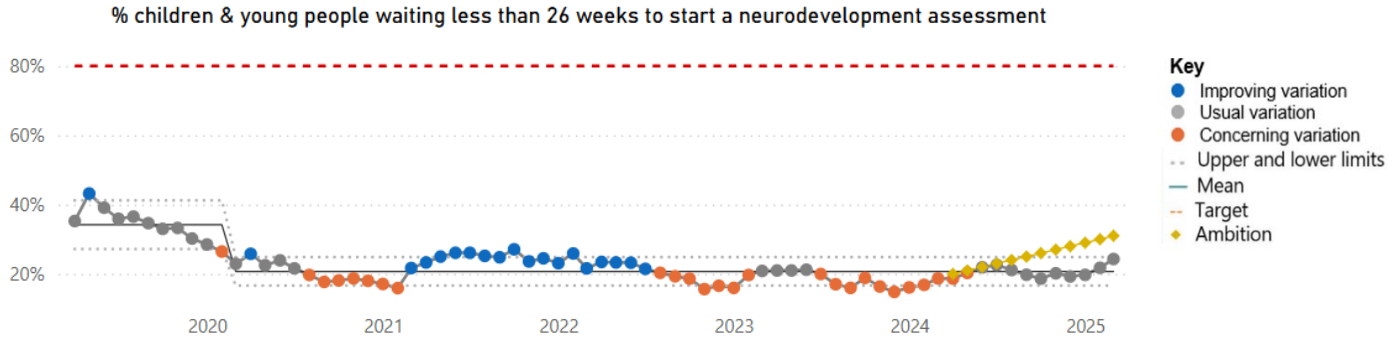
4.3.5 Neurodevelopmental

% children waiting less than 26 weeks for a neurodevelopment assessment

Our aim is to increase the percentage of children waiting less than 26 weeks for a neurodevelopment assessment, to achieve the national target of 80% and our ambition of 31%. At the end of March, we didn’t meet our ambition or the national target: achieving 24.3%.

Assessments for Attention Deficit Hyperactivity Disorder (ADHD) and Spectrum Disorder (ASD) in children and young people are delayed due to a continued increase in referrals, including a 100% rise in ADHD assessments over the past year. We have robust caseload allocation and monitoring in place, and we've recently mapped out current pathways to ensure efficiency. We're exploring new models to reduce demand and have rolled out digital platforms. We're promoting a ‘Grow your Own’ culture and introduced a skill mix to teams to attract more interest in specialist roles to address long-term workforce challenges.

While waiting for an assessment, we send ‘keeping in touch’ letters to parents and carers with sources of support. We also hold weekly Autism Advice hubs to provide advice and support, offer dedicated workshops, and have a specialist nurse to support vulnerable children and young people.



Despite our progress against the measures described above, we acknowledge that the waiting times are too long and we are continuing our focus on bringing them down.

4.3.6 Infection control

C.difficile: Number of laboratory confirmed infection cases (in-month)
E.coli: Number of laboratory confirmed blood stream infection cases (in-month)
S.aureus: Number of laboratory confirmed blood stream infection cases (in-month)

Our aim is to eliminate all avoidable infections, and we've been working hard to reduce the numbers of Clostridioides difficile (C.difficile) infections, along with Escherichia coli (E.coli), and Staphylococcus aureus (S.aureus) blood stream infections. Across Wales, C.difficile and S.aureus cases have increased during 2024/25, while E.coli cases have decreased. In the Hywel Dda area, there was a 21% (23 cases) increase in S.aureus cases compared to 2023/24, 70% of these blood stream infections were acquired in the community, 39 cases occurred in hospital.

We had 184 C.difficile cases this year, 2 more than last year, 42% of these were acquired in hospital. 380 patients were diagnosed with E.coli this year, an improvement on last year, with 84% of these occurring in the community.

The high number of patients within our hospitals, together with our ageing estate, have made it challenging to keep the environment clean, which increases the risk of infection. We're addressing this by changing our cleaning processes and products in all our inpatient areas. As part of our healthcare-acquired infection (HCAI) improvement plan, we're focusing on reducing hospital-acquired C.difficile and bloodstream infections. This includes weekly infection ward rounds with a microbiologist and pharmacist to ensure correct management and treatment for patient safety, monitoring antibiotic use to make sure they're prescribed only when necessary and appropriate. This helps improve patient outcomes and reduces the risk of adverse events from antibiotic use.

Education and training are crucial to make sure staff are aware of infection prevention and control practices. We regularly audit to ensure we meet standards.

Each HCAI is reviewed in monthly meetings to find the cause and share lessons to prevent future infections. For patients with confirmed C.difficile infections, we send a letter to their GP to review future antibiotic treatments, and patients receive letters and information to help manage their

infection at home. We're also improving patient outcomes by increasing the number of patients receiving faecal microbiota transplantation (FMT) to prevent further C.difficile episodes.

We monitor E.coli infections across the Health Board and continue to educate staff on device management and care. We review hospital-onset cases to learn and share insights across the Health Board.

Our data shows that most C.difficile cases are acquired in hospitals, rather than care homes or the general population. About half of these infections are hospital-acquired. To prevent this, we use DiffX products and hydrogen peroxide vapour (HPV) for environmental decontamination, working with hotel facilities and estates. The C.difficile improvement group, overseen by the Deputy Medical Director, has been set up and provides more insight into antibiotic prescribing and management of C.difficile.

The data suggests that most S.aureus and E.coli infections come from within the community, so we're focusing on health promotion and healthier living in our community messaging. We also work closely with Public Health Wales.

4.3.7 Workforce

% of sickness absence rate of staff

In the past year, we didn't meet our goal of reducing staff sickness absence to the target of 4.79%. In July 2024, staff sickness absence increased to 6.6% and has stayed at that level since.

Anxiety, stress, and depression are the main reasons for long-term absences across most of our directorates, while coughs, colds, and flu are the top reasons for short-term absences.

We've started a programme to review areas with high sickness rates. We've also supported an increase in stress risk assessments to better understand the issues staff face. Our Workforce Team has provided focused support to help managers understand the sickness absence process and how to best support their staff, including creating bespoke action plans and offering additional training.

4.3.8 End of year financial position

Our plan in 2024/25 was to meet a £31.5m deficit by the end of the financial year, with a savings target of £32.4m, following receipt of £32.5m in-year funding. The Health Board’s reported end of year outturn is £24.1m. Our year-end figures are subject to audit and could change, therefore are not yet final.

The following next steps and mitigating actions are being pursued across executive director portfolios, with ongoing reviews in place via Executive Team escalation discussions to evaluate updated on progress and impact and de-risking the 2025/26 annual plan.

1) The underlying 2024/25 deficit carried forward into the new financial year will deteriorate by the undelivered anticipated savings (causing a shortfall) and the unexpected in year underspends. £17.6m of savings delivered in 2024/25 cannot be repeated the new financial year as they are linked to underspending directorates. This is a pressure for the start of next year’s financial plan if not addressed. Executive discussions are ongoing to identify how the £25.4m in year savings will be delivered.

2) Our 2025/26 Annual Plan has been submitted to Welsh Government with continued savings delivery requirements of £19.0m. A risk is likely with converting ideas into robust plans to deliver the savings (£12.0m of the £19.0m) at pace, alongside additional assessments of underspending directorates for conversion into year-on-year savings, and further action to improve upon the Welsh Government agreed final expenditure limit (target control total).
3) The Chief Executive Officer has implemented an internal escalation framework to scrutinise performance levels for six domains. For the finance, strategy and planning domain, 14 directorates are currently escalated to level 3 (no assurance). An urgent recovery plan is required from each.
4) Medical additional cover and premium – continued use of premium locum and agency to cover sickness, annual leave rota planning, and gaps within rosters. Exit strategies are required for reliance on premium cover to support service sustainability and achieve the ministerial priorities.
5) Accountability letters of the savings expectations have been issued to executive directors, clinical care group / executive function leads, with a deadline for return of 31 March 2025.

For further details, please see the Financial Accounts section of this report.

4.3.9 Fraud, anti-corruption and anti-bribery

We have two full-time Accredited Local Counter Fraud Specialists and a Counter Fraud Policy, which is available to read here.

This policy, along with staff training and promotional activities, outlines our strategy to combat fraud. It aligns with the NHS Counter Fraud Authority (NHSCFA) and Government standards.

Our annual workplan covers four main areas:

- **Inform and Involve**: Raising awareness about fraud in the NHS and promoting a strong anti-fraud culture.
- **Prevent and Deter**: Reviewing and improving controls to prevent fraud, bribery, and corruption.
- **Hold to Account**: Recording and investigating instances of fraud, bribery, and corruption, and holding people to account where wrongdoing is proven.
- **Strategic Governance**: Reporting and demonstrating our governance practices.

The workplan is approved by our Director of Finance and the Chair of our Audit and Risk Assurance Committee. We provide bi-monthly updates to the committee and quarterly statistics to the Welsh Government. An annual self-review is also completed and monitored by the NHSCFA.

You can read our reports and workplans here: Audit and Risk Assurance Committee (ARAC) - Hywel Dda University Health Board.

5. The well-being of future generations

The Well-being of Future Generations (Wales) Act 2015 sets out duties for 56 public bodies (originally 44), including health boards. Our Health Board is part of three *Public Services Boards (PSBs) in Carmarthenshire, Ceredigion and Pembrokeshire (*described in more detail below).

Our well-being goals are our long-term plans to put the Well-being of Future Generations (Wales) Act 2015 into action. These goals cover multiple national objectives and fit well with our strategic and operational plans, as well as our PSBs' well-being plans. Click here for more on The Well-being of Future Generations (Wales) Act - Hywel Dda University Health Board

We work closely with our three PSBs and the West Wales Regional Partnership Board (RPB) to build a strong integrated community care service for Wales, giving people a better quality of life.

In March, our Dementia Well-being Team (pictured right) won the Citizen and Third Sector Choice Award at the 2025 West Wales Regional Partnership Board Conference.

Each PSB aims to reduce inequalities, inequity and poverty through four priority areas. They were created under the Well-being of Future Generations (Wales) Act 2015 to improve the well-being of their communities by working together across public services. PSBs are overseen by the Well-being of Future Generations Commissioner, Audit Wales, and local authority committees. They must create well-being plans based on local assessments, which were last updated in 2022, and aim to meet seven national well-being goals.

The latest well-being plans were published in 2023 for a three-year period and are available here:

- Click here for Carmarthenshire PSB local assessment and well-being plan
- Click here for Ceredigion PSB local assessment and well-being plan
- Click here for Pembrokeshire PSB local assessment and well-being plan

In 2024/25, PSBs achieved several key milestones:

Carmarthenshire
implemented the 'Making Every Contact Count' approach, focusing on improving practices, training, and exploring joint web presence and data sharing.

Ceredigion
formed a 'Fair Work' group to create a charter and developed a toolkit to address poverty stigma.

Pembrokeshire
held a Poverty Summit with contributions from various organisations, including The Bevan Foundation and National Energy Action, to discuss the lived experiences of poverty.

Health inequalities continue to exist, alongside climate and nature emergencies. To improve public health and well-being, we need to work together to tackle issues like poverty, environmental problems, poor housing, and social isolation. Our progress against each of the objectives and our plan to review and improve our well-being objectives during is detailed below.

Hywel Dda University Health Board - Well-being Objectives

- Plan and deliver services to increase our contribution to low carbon.
- Develop a skilled and flexible workforce to meet the changing needs of the NHS.
- Promote the natural environment and capacity to adapt to climate change.
- Improve population health through prevention and early intervention, supporting people to live happy and healthy lives
- Offer a diverse range of employment opportunities which support people to fulfil their potential
- Contribute to global well-being through developing international networks and sharing of expertise
- Plan and deliver services to enable people to participate in social and green solutions for health. Encouraging community participation through the medium of Welsh.
- Transform our communities through collaboration with people, communities and partners.

Carmarthenshire Public Service Board Well-being Plan 2023-28 - Well-being Objectives
Ensuring a sustainable economy and fair employment
Improving well-being and reducing health inequalities
Responding to the climate and nature emergencies
Tackling poverty and its impacts
Helping to create bilingual, safe and diverse communities

Ceredigion Public Service Board Well-being Plan 2023-28 - Well-being Objectives
Work together to achieve a sustainable economy that benefits local people and builds on the strengths of Ceredigion.
Work together to reduce inequalities in our communities and use social and green solutions to improve physical and mental health.
Work together to deliver decarbonisation initiatives within Ceredigion to protect and enhance our natural resources.
Work together to enable communities to feel safe and connected and will promote cultural diversity and increase opportunities to use the Welsh language.

Pembrokeshire Public Service Board Well-being Plan 2023-28 - Well-being Objectives
Support growth, jobs and prosperity and enable the transition to a more sustainable and greener economy
Work with our communities to reduce inequalities and improve well-being
Promote and support initiatives to deliver decarbonisation, manage climate adaptation and tackle the nature emergency
Enable safe, connected, resourceful and diverse communities

Our well-being objectives are achieved through the hard work of our staff and partners who together support, sustain and improve people's well-being. Here are some examples:

Our Well-being Objectives Annual Report 2023/24 is available to read here. It provides details on how we have performed against our eight well-being objectives, including case studies showing how these are linked to our overall strategic and planning objectives.

It also shows how we're aiming for better integration by working together with partners, involving the public and stakeholders in long-term planning to meet our community's needs, focusing on preventing ill-health, and collaborating with other health boards and trusts across the NHS in Wales and the wider public sector.

We will review our well-being objectives in Spring 2025 to ensure they continue to reflect our organisational values and strategic aims.

We are driving a shift towards a Social Model for Health and Well-being focusing on actions to reduce health inequalities, and enable people and communities to achieve and maintain the best possible health. This model focuses on prevention, early disease detection and timely intervention.

We have agreed on six principles to reinforce our commitment and help partners and organisations adopt this model. These principles are outlined in a charter that connects to our well-being objectives.

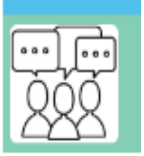
Principle 1 A Social Model for Health and Well-being will complement and integrate with other ways of working, values, principles and objectives.

Principle 2 Leaders will be bold and brave and will strategically commit to supportnig a shift towards a Social Model for Health and Well-being.

Principle 3 Involvement with individuals and communities will take place to understand their needs and support the co-production of solutions.

Principle 4 Meaningful collaborations with partners will be strengthened and developed to make the most of the building blocks of health and well-being, with the goal of enabling individuals and communities to build resilience, reducing health inequalities and improving health equity.

Principle 5 A more preventative approach, including earlier identification and intervention, will be taken to support people to maintain and improve their health and well-being.



Principle 6 A culture of testing and learning will be encouraged, enabled, supported and celebrated.

6. Working together for positive change

We believe in working together with our partners to improve and deliver better services to support the health and well-being of our communities.

Here are some examples of where we are working in partnership to improve access to the right level of care, closer to home:

- The Health and Well-being Centre in Cross Hands, the Pentre Awel Project, and the Carmarthen Hwb
- The Delta Well-being and Home First team service
- Ceredigion patients receiving physiotherapy treatment closer to home
- The development of a Pembrokeshire alliance with local authority and third sector partners
- The development of the integrated Porth Preseli streaming hub
- The HealthPathways portal for healthcare professionals
- Arts Boost, an award-winning arts programme for children and young people known to our Specialist Children and Adolescent Mental Health Service (S-CAMHS)

There are many great joint initiatives taking place across Carmarthenshire, Ceredigion and Pembrokeshire that benefit our communities and we have listed a few examples here:

- Promoting well-being through a series of community events across Carmarthenshire, Ceredigion and Pembrokeshire in partnership with local authorities, third sector and voluntary sector colleagues.
- Partnering our Perinatal Department with SilverCloud's online mental health platform with direct referral pathways, offering self-help programmes based on cognitive behavioural therapy for managing a range of mental health issues.
- Preventing frailty related hospital admissions through the work of our South Carmarthenshire Rapid Access Multidisciplinary Service at Prince Philip Hospital.
- Proactively managing the care of people living with frailty through the Acute Frailty Unit at Withybush Hospital.

- Supporting people through the creative home delivery service, an arts and health service designed and delivered by People Speak Up in partnership with Carmarthenshire Council and Connecting Carmarthenshire.
- Easing staff parking pressures at Glangwili Hospital, Carmarthen through a joint car parking solution with Gwili Railway Company.
- Supporting patients ready for discharge from hospital through a temporary arrangement with Ceredigion County Council and Hafan y Waun Residential Care Home in Aberystwyth.
- Enhancing the patient environment in Bronglais Hospital's new cancer treatment unit through local artists and poets selected to co-create an artistic vision for the unit.
- Supporting parents and children aged between 0-5 years with complex needs through an initiative with third sector organisation SNAP at Withybush Hospital, Haverfordwest.
- Reducing demand on emergency services through a new Welfare and Falls Rapid Response Service in Pembrokeshire in partnership with St John Ambulance Cymru.
- Providing support and activities for neurorehabilitation patients through Pembrokeshire's first therapeutic neurorehabilitation gardening group. The HUG (Heads-Up Gardening Group) is run by our community neurorehabilitation service and Scolton Manor Park.

Launching our Arts and Health Charter, a promise to the public to integrate arts into our work. The charter is a first in Wales and will be delivered through eight arts and health principles and pledges, making it an integral part of how we deliver health and well-being services.

We also work closely with a number of national and regional organisations, including Health Education and Improvement Wales; Digital Health and Care Wales; ARCH (A Regional Collaboration for Health: with Swansea Bay and Hywel Dda university health boards and Swansea University); and the multi-agency Dyfed Powys Local Resilience Forum.

7. Research and innovation

We support research and innovation to improve patient care and services.

2024/25 was the final year of our current Research and Innovation Strategic Plan (2021–2024). Alongside significant engagement to develop our new Strategic Plan (2025-2030), which will soon be considered by the Board, we have seen several achievements during the past year:

- We opened a new research office at Withybush Hospital, which means there is now a dedicated and visible research presence at each of our acute hospitals.
- We have advanced plans to locate some research and innovation functions at the new Pentre Awel scheme, which is due to open later this year.
- Our key Health and Care Research Wales indicators have shown consistent improvement, helped by a growing team of researchers with dedicated time in areas such as women's health, respiratory, metabolic disorders, orthopaedics and primary care.
- We have secured several funding grants, allowing staff more time for research.
- One of the first orthopaedic robot research studies undertaken in Hywel Dda reached its conclusion and we have opened one of our first commercial studies at Bronglais Hospital.
- Together with Swansea University and Cancer Research UK's TET (Test, Evidence, Transition) Programme, we developed a new prostate cancer rapid diagnosis pathway (PROSTAD) to tackle the delay in diagnosing prostate cancer. The initiative won the 2024 NHS Wales Efficient Care Award.
- We have implemented an innovative service, Spike on a Bike, which is a novel harm reduction service and a partnership between Dyfed Drug and Alcohol Service, Swansea University, Public Health Wales and University of Wales Trinity St David's are evaluating its impact.
- We have initiated Building Bridges between Housing and Health, which is a Bevan Exemplar project delivering work on housing and health with our local partners, including fuel poverty charities, housing associations, local authorities and the University of South Wales. The project has moved from Phase 1, which was about delivering an evidence-based good practice guide, to Phase 2, implementing further practical solutions to help individuals and families, most

notably on indoor warmth during colder weather, with the aim of prevention of ill health, particularly amongst the elderly and families with young children.

In addition, we have taken important steps to improve regional working practices, including identifying measures to improving patient access to cancer studies.

Despite this progress, we continue to challenge the level of investment we receive from funders, which does not match our population size and the health issues we face. We're also trying to align our efforts with the Health Board's challenges, including making some changes to how we are organised.

Our innovation programme, assisted by our TriTech Institute, has also grown and developed.

We've started several new projects with large pharmaceutical and medical technology companies, focusing on asthma care and preventing heart disease. We've also strengthened our relationship with the NHS Executive by evaluating national initiatives to improve respiratory health and community care pathways.

Our work with other European countries through the Horizon 2020 programme is progressing well, including projects to plan for future health crises and develop social prescribing. Our growing reputation could lead to a closer relationship with the EU in 2025.

We'll soon complete a peer review to guide how we strengthen our TriTech and innovation model in the coming years. We're also enhancing our partnerships with Aberystwyth University, Swansea University, and the University of Wales Trinity St David. This includes patenting new technologies for lung cancer diagnosis and promoting innovations, with the Centre for Social Innovation, to address broader health and well-being issues.

In Hywel Dda, we are working hard to find new ways to better connect people with arts and health activities in their local community, with the aim to help people live well for longer in their own homes and communities.

We’re thankful to Shirley for sharing her experience with creative prescribing and how it has improved her health and well-being.

Click here to read Shirley’s story

8. Our workforce

We are dedicated to putting people at the heart of everything we do. This means treating everyone fairly and with respect, regardless of their background or beliefs, and creating an inclusive environment for all.

Here, we share with you some of our key workforce highlights during 2024/25.

8.1 Recognition and appreciation

We continue to showcase and celebrate our outstanding staff through various awards. This includes the Chair's Commendation Awards, which has received 238 nominations since it began and our Hywel's Applause Staff Awards which have been well-received, with many staff feeling appreciated.

8.2 Staff experience

We achieved a response rate of 20% for the 2024 NHS Wales staff survey, with 2,397 of our staff participating which was a significant increase on the previous year. We are improving our Speak Up culture to ensure staff feel safe to voice their concerns by improving accessibility, visibility, and trust in the process. We have also incorporated psychological safety into leadership development programmes, to ensure leaders are equipped to create environments where staff feel able to speak up.

8.3 Managing people

We work closely with our Trade Union colleagues on initiatives to improve staff health and well-being. We have reduced the number of employment policies, reducing them by 27% and ensuring they are concise and effective. We handle employee relations issues informally, using investigations only as a last resort. This approach protects staff well-being and minimises the impact on patient care.

8.4 Keeping and stabilising our workforce

We have focused on strengthening our staff retention. For example, we have significantly reduced nurse agency use (from 324 full-time in June 2023 to 93 in February 2025) and participated in international recruitment programmes. We have recruited 296 Internationally Educated Nurses and 10 Doctors since 2022.

In addition, we are progressing some ‘day in the life’ stories to share experiences and good practice, as well as working with our Trade Unions on supporting flexible working assessments and flexible retirement conversations.

Three of our internationally educated nurses shared their personal stories about moving to west Wales as part of our Health Board’s annual general meeting on 26 September 2024. To watch Sithara, Soniya and Kandace share their stories, click here and go to timestamp 1:07:07.

8.5 Our future workforce

We have continued to work with young people and engaged with 8,567 pupils, including 2,855 through the medium of Welsh, covering all secondary schools in Hywel Dda. Our programmes supported 1,527 students with health masterclasses, 337 work experience opportunities and 36 virtual taster sessions. 67 students also started the ‘Becoming a doctor’ programme. Simulation activities have increased interest in Health Board careers from 35% to 63%.

19 students with additional support needs were supported to gain work experience, with community engagement activities about careers in the NHS held throughout the year. This contributed to improving the diversity of our 210 active volunteers. 42 apprentices were recruited, bringing our total number of apprentices to 162 within our workforce. We were delighted when one of our apprentices was selected as a Welsh Language Ambassador by Coleg Cymraeg Cenedlaethol, highlighting the importance of Welsh Language in patient care.

In recognition of our work to support young adults, the Health Board was presented with the Careers Wales Outstanding Achievement Award.

8.6 Staff well-being

Our Staff Psychological Well-being Service promoted various support services, with our Staff Gateway resource receiving nearly 35,000 hits in 2024 and we supported over 700 staff with one-to-one support and mental health sessions. Over 400 colleagues referred themselves for support, and 64 attended our Recovery in Nature programme, which improves mental health and reduces burnout.

The Willow Garden, a peaceful, green space offering a sanctuary in nature for patients, staff and visitors away from the busy hospital environment, opened in August 2024 at Withybush Hospital.

Working with the Health Board's Chaplaincy, we held a multicultural carol service in December to share in a moment of unity and reflection. The event marked the festive season and honoured the dedication of our staff, patients and emergency services, featuring a performance of Silent Night in British Sign Language.

8.7 Leadership and development

126 leaders attended the LEAP (Leadership Engagement with Awesome People) programme and our coaching network has grown to 40 qualified coaches. We have provided approximately 330 coaching sessions and delivered the Coach Approach programme to 311 attendees; this is now an integral part of Hywel Dda Manager, LEAP and New Consultant programmes.

Our compliance with statutory training has increased to 87%, which is above the Welsh Government target. 1,386 staff were supported to undertake higher awards or benefit from study leave opportunities. Our 'Grow Your Own' pathways have 256 staff progressing through the academic nursing pathway and 16 accessing various allied healthcare profession qualifications. As an Agored Cymru accredited centre, 960 training units have been achieved in a number of clinical areas.

Ellie Dawe and Aelwen Lee achieved their Qualified Nurse status, having been supported by our 'Grow Your Own' nurse training programme. They continued to work while managing their studies and have successfully secured posts in our District Nursing Team.

73 educators have accessed 'Essentials of Simulation' courses, enabling them to design and deliver simulated learning sessions. Together with Swansea University, we have delivered a virtual reality project creating seven modules, enhancing staff development and ensuring our communities benefit better care.

8.8 Workforce strategy and planning

We have developed our approach to workforce planning, working closely with Health Education Improvement Wales (HEIW). We have over 70 operational people plans to support services with their workforce challenges.

8.9 Equality, diversity and inclusion

We aim to create an inclusive environment where everyone has a sense of belonging. In the last year, we have offered 57 training sessions on equality, diversity, and inclusion to equip our staff with the skills and knowledge to implement best practice and demonstrate respectful and non-discriminative values. We are committed to conducting equality impact assessments to support good governance and decision making, and 222 equality impact assessments were completed. We produced an information video to accompany our Strategic Equality Annual Report to highlight to our staff and our communities how we are delivering our strategic equality objectives.

Further information on the measures we have in place to ensure that our obligations under equality and human rights legislation are complied with, and progress against our strategic equality objectives can be found in the Accountability section of this Annual Report.

8.10 Welsh language

We want to be the first health board in Wales where Cymraeg and English as languages are treated with equal status (Health and Care Standards: Dignified Care).

The Welsh Language Standards are statutory requirements that clearly identify our responsibilities to provide excellent bilingual services. These can be accessed via the Welsh Language Services section on our website here: Welsh language services - Hywel Dda University Health Board

We strive to not only comply with the Welsh Language Standards, but to embrace their spirit. However, we recognise that how we deliver this across our sites and teams is not always consistent. Our culture and practice needs to evolve for us to deliver a seamless bilingual service to people who use the NHS and care services, and this is a long-term ambition.

We aim to deliver a bilingual healthcare service to our public and enable our staff to use Cymraeg naturally within the workplace. We strive to be an exemplar in this area by promoting and enabling more use of Cymraeg by our workforce. Whether our staff are fluent, lacking in confidence, or a new speaker, the workplace provides opportunities to use, practise and learn Cymraeg.

Cara, one of our pharmacy technicians enjoys the opportunity to work and talk with patients in her first language. She has written about how patients react when they know they can talk to her through their first language. As a patient or a service user, you have the right to receive your care in Cymraeg.

We continue to work with National Centre for Learning Cymraeg that provides us with funding to appoint a tutor to specifically work with staff who have Welsh Language skills at Level 3 or above but who lack the confidence to use their Cymraeg. This programme has been in place for two years and continues to grow. The outcomes of this post have been measured and

reviewed and can be found in the evaluation report here: Welsh language services - Hywel Dda University Health Board.

We will report progress on this and other key actions to achieve our ambitions and statutory obligations for the Welsh language in our Annual Welsh Language Report, which will be published in summer 2025 on our website: Welsh language services - Hywel Dda University Health Board

8.10.1 Staff language skills

The language skills of our staff, in accordance with Standard 116 and 117, are captured and recorded on the electronic staff management system (ESR).

As at 31 March 2025, 97.4% of staff have recorded their Welsh language skills as follows:

Skill Level	0 – No Skills / Dim Sgiliau	1 – Entry / Mynediad	2 - Foundation / Sylfaen	3 - Intermediate / Canolradd	4 - Higher / Uwch	5 - Proficiency / Hyfedredd	Not Yet Recorded on ESR
Number	4,891	2,676	1,075	884	922	1,355	312
%	40.4%	22.1%	8.9%	7.3%	7.6%	11.2%	2.6%

8.10.2 Vacant posts

The number of new and vacant posts that were advertised during the year, recorded as those where Welsh language skills were essential or desirable, the number where Welsh needs to be learnt or where Welsh was considered not necessary are reported below:

- **22** Welsh language skills were essential
- **0** Welsh language skills needed to be learnt when appointed to the post
- **2,175** Welsh language skills were desirable
- **288** Welsh language skills were not necessary
- **2,485** Total vacancies advertised

Out of the 2,485 vacancy advertisements, 2,616 posts were offered and 529 individuals appointed to these posts hold Welsh language skill levels 3 to 5.

8.10.3 Welsh language related complaints

Three Welsh language service complaints were received during 2024/25. One investigation has been conducted by the Welsh Language Commissioner within the year under section 71 of the Welsh Language Measure. Full details can be found in the Annual Welsh Language Report, which will be published on our website: Welsh language services - Hywel Dda University Health Board

9. Sustainability Report

9.1 Environment, sustainability and carbon reduction

Over the last year, we have continued to look at options to reduce carbon and bring sustainable practices into our day-to-day activities.

In the last two years we have installed renewable energy generation and energy efficiency technologies to reduce our carbon footprint, contributing to Welsh Government's 2030 net zero public sector target, including:

- Solar panels at Hafan Derwen, in Carmarthen, South Pembrokeshire Hospital in Pembroke Dock and Brynmair Clinic in Llanelli
- Battery storage at Hafan Derwen in Carmarthen
- Upgraded building management controls at Bronglais Hospital in Aberystwyth, Amman Valley Hospital in Glanamman, Brynmair and Elizabeth Williams clinics in Llanelli
- LPG heating fuel supply to displace a proportion of the oil usage at Glangwili Hospital in Carmarthen
- LED lighting where old fittings have been replaced with full site replacements being planned across multiple sites

Contractors have checked the heating systems at Prince Philip Hospital in Llanelli, Bronglais Hospital in Aberystwyth and Withybush Hospital in Haverfordwest. They are creating reports to see how we can make these systems more efficient, using money from the UK Government's Heat Network Efficiency Scheme.

Our ‘Switch It Off’ campaign launched in October 2024, encouraging staff to switch off electrical items not in use. The campaign has been showcased by Climate Action Wales as an example of good practice.

We have kept our performance and systems up to the standards of ISO14001, and set goals that we regularly check and review.

Our approach to agile working is robust and we have an approved agile working plan and toolkit to help our staff work from the most appropriate location for their role. We're also streamlining our properties to make sure they're fully used and performing well.

We're working to cut emissions from our fleet vehicles and have a plan to switch to electric ones (EVs). We've also applied for a grant to install EV charging stations for our fleet at Hywel Dda sites to support this transition.

Cutting waste and increasing recycling are top priorities for us. We're expanding our programme to recycle absorbent hygiene products to lower carbon emissions and improve recycling rates. Recently, we won a Medi Wales award for this project, and it was highlighted in Climate Action Wales and Life Stories magazine as an example of good practice in health and life sciences.

We're focusing on using sustainable products, creating green health frameworks, cutting waste, and reducing single-use items and plastics. Here are some other projects we've been working on to cut waste and make Hywel Dda more eco-friendly.

- Laundering and reusing or recycling staff uniforms
- ‘Gloves Off’ campaign to reduce overuse of single-use plastic gloves
- Testing reusable tourniquets instead of disposable ones
- Switching from paper to digital prescriptions
- Switching to recyclable/reusable items, such as curtains, plastic bags, medicine pots, nappies/incontinence products, nutritional supplement bottles, medication blister packets and speculums
- Piloting the re-use of specimen bags
- Using our online Warp-It system to recycle and reuse equipment
- Changing from meter dose inhalers to eco-friendly dry powder inhalers to reduce harmful gas emissions
- Implementing the Greener Emergency Department framework to achieve bronze award status
- Supporting critical care and primary care teams to implement the Greener Critical Care Framework

To meet the requirements of the Workplace Recycling Regulations and improve our recycling rate, we separate different types of waste including paper, card, plastics, tins, food and glass on most of our sites.

Even though our utility costs are still high, they've gone down mainly because of changes in energy market prices. Our contract with Centrica, which ends on 31 March 2025 has guaranteed annual savings and reduced carbon emissions. From April 2015 to December 2024, this contract cut CO_2e emissions by 30,795 tonnes.

We have a new energy performance contract lined up with Vital Energi Ltd through the Re:Fit 4 Wales Framework. Vital Energi has assessed energy-saving measures at six sites: Prince Philip Hospital, Bronglais Hospital, Hafan Derwen, Glangwili Hospital, Withybush Hospital and Elizabeth Williams Clinic. Planned measures include improving LED lighting, heating systems, insulation, building management systems, rooftop solar panels, air handling units and chillers.

Vital Energi is now working with us on a detailed proposal for a large investment bid (around £10 million) from the Welsh Government's Invest-to-Save programme for 2025/26 and 2026/27.

We're making plans to keep the savings and carbon reductions from our Centrica contract as it ends. Starting in April 2025, we'll have new 8 year maintenance contracts for the combined heat and power units at Withybush and Prince Philip hospitals, and an (up to) 5 year contract for the biomass boiler at Glangwili Hospital. These units were installed at the start of the Centrica contract and are about 10 years old, with expected lifespans of 15-20 years.

Our Decarbonisation Delivery Plan outlines how we aim to meet national net zero targets in areas like carbon management, buildings, transport, procurement, estate planning, land use, and clinical sustainability.

9.1.1 Training and Development

Health Education and Improvement Wales (HEIW) offers Climate Smart Community training, and Hywel Dda staff are encouraged to join. The VAULT sustainability pages highlight efficiency opportunities and best practices within NHS Wales. Staff can access e-learning modules on the electronic staff record (ESR) system on topics like climate change, environmental sustainability, and achieving net zero.

For more detail, our full Sustainability Report for 2024/25 will be available on our website in June 2025.

9.2 Task Force on Climate-related Financial Disclosures (TCFD)

9.2.1 Compliance Statement

Hywel Dda University Health Board confirms that this Climate-Related Financial Disclosure has been prepared in accordance with the requirements of paragraph 3.41 of the Welsh Government Manual for Accounts and is aligned with the four core themes of the Task Force on Climate-related Financial Disclosures (TCFD): Governance, Strategy, Risk Management, and Metrics and Targets.

This disclosure reflects the Health Board’s ongoing commitment and compliance to environmental sustainability, transparent financial reporting, and alignment with both Welsh Government policy and NHS Wales strategic objectives for net-zero emissions.

We are committed to environmental sustainability and reducing carbon emissions, complying with the Environment (Wales) Act 2016 and The Climate Change (Wales) Regulations 2021. We continue to make positive progress towards net zero targets and climate adaptation planning, aligning to the NHS Wales Decarbonisation Strategic Plan and the Climate Adaptation Strategy for Wales.

9.2.2 Our governance around climate-related issues

The Health Board has established clear governance structures to oversee climate-related risks and opportunities. Oversight rests with the Strategy and Planning Committee which is a formal sub-committee of the Board. The committee reviews progress and status reporting on decarbonisation and our ability to meet the net zero targets set by Welsh Government.

Leadership is provided by both the Executive Director of Strategy and Planning and the Director of Public Health, who are responsible for embedding the Health Board's climate response into service planning and design, capital development, public health protection and business continuity.

Our Decarbonisation Delivery Plan includes 46 initiatives to meet Welsh Government's net zero targets.

We track and report our climate mitigation efforts through:

- Monthly Strategic Property and Environment Taskforce Groups
- Sustainable Transport Group
- Sustainable Healthcare (Green) Group
- Annual Qualitative Report to Welsh Government
- Integrated Quality Planning and Delivery review meetings (as requested)
- The Health Board's annual reporting process, including governance and well-being objectives
- Annual quantitative net zero emissions reporting to Welsh Government
- Annual Public Services Board report (as requested)

9.2.3 Our Board's oversight of climate-related issues

The Strategic Property and Environment Taskforce Group oversees delivery of the 46 initiatives in our Decarbonisation Delivery Plan. Progress is documented within the bi-annual Decarbonisation Qualitative Report which is submitted to the A Healthier Mid and West Wales Infrastructure Group for approval prior to Welsh Government submission. The Annual Net Zero Report is overseen by the Health Board's Corporate Performance Team and a robust process in place for completion and verification. This report is approved by the Strategy and Planning Committee prior to Welsh Government submission. Both reports include risks and issues related to climate change and our route to net zero, including the mitigation activity.

9.2.4 Management's role in assessing and managing climate-related issues

We support the ambition of NHS Wales to become a net-zero health service by 2030. Climate-related issues are integrated into short, medium and long-term strategies through our

Decarbonisation Delivery Plan and upcoming Climate Adaptation Plan, aligning with Welsh Government priorities and national policy.

Climate change is a cross-departmental priority affecting all parts of the organisation. Managers across several directorates contribute to net zero and environmental sustainability activities, as well as supporting the Environment Team to maintain the ISO14001 standard.

We are finalising our integrated impact assessment which has a dedicated section on environmental sustainability, including climate and net zero impacts, with a scoring system. This will help managers assess the risks and impacts of their activities on our route to net zero so to improve decision-making, ensuring legal compliance, consideration of equality/human rights, and socioeconomic factors.

9.2.5 Metrics and targets used to assess and manage relevant climate-related issues

Emission Reduction Targets: 16% reduction by 2025; 34% reduction by 2030 (from 2020 baseline). The Welsh Public Sector Net Zero Target Carbon Report tracks our data outputs and performance towards the 2030 and interim net zero targets. This is linked to the operational risk on the Health Board's risk register and updated as per our Risk Management Framework.

Our Decarbonisation Delivery Plan summarises the impact of the Health Board's climate actions, aligning with the NHS Wales Decarbonisation Strategic Delivery Plan. It focuses on reducing carbon emissions from buildings, transport, procurement, and clinical areas like anaesthetic gases.

9.2.6 Emissions and the related risks

The table below shows our position in 2023/24 (measured in $kgCO^2e$) and how it compares to 2022/23 and the trend.

Categories	2022/23	2023/24	Trend
Buildings, fleet and other assets			
Buildings	21,612,846	20,052,328	↓
Streetlighting	1,117	622	↓
Fleet and equipment	584,295	676,043	↑
F-gases and anaesthetic gases	3,496,282	1,877,545	↓
Business travel, commuting and homeworking			
Business travel	1,957,769	2,200,851	↑
Commuting	16,492,157	16,282,868	↓
Homeworking	1,068,819	954,588	↓
Waste			
Organisational waste	493,384	501,733	↑

Supply chain - Tier 1 and Tier 2 combined			
Supply chain	48,226,966	111,192,247 (Tier 1 method) 96,075,696 (Tier 2 method)	↑
Land based emissions			
Total land-based emissions	-	-	n/a
Total emissions			
Total emissions	**93,933,636**	**153,738,825** (Tier 1 method) **138,622,274** (Tier 2 method)	↑
Onsite renewables - heat	2,999,720	6,836,205	↑
Onsite renewables - electricity	438,440	440,088	↑
Purchased renewables - electricity	22,114,823	10,194,208	↓

The table shows the Health Board's Net Zero Public Sector performance for 2023/24. Carbon emissions increased from 93,940,000 kgCO^2e in 2022/23 to 138,622,274 kgCO^2e (using Tier 2 procurement) or 153,738,825 kgCO^2e (using Tier 1 procurement). This increase is due to supply chain data issues, adding primary care (managed practice) data, and a change in methodology.

On the positive side, we've reduced our use of F-Gases/Anaesthetic Gases and cut emissions from commuting and buildings.

The risk ‘impacts from climate change’ is on the Health Board’s corporate risk register, and the risk ‘ability to meet the net zero targets and deliver the decarbonisation plan’ is included on the operational risk register. Risk management reports are reviewed by the Board and mitigation activities are updated regularly.

We are currently developing our Climate Adaptation Plan, which will help us adapt to climate risks and impacts.

9.2.7 Our performance against targets to manage climate-related risks and opportunities

Performance against net zero targets is set out in our Decarbonisation Delivery Plan and monitored via the related reporting documents. We aim to update our plan in 2025/26 to align with the Welsh Government's strategic plan refresh.

Climate-related risks are identified via the Datix risk management system and assessed alongside strategic, financial, clinical, and operational risks. The Risk Management Team and the relevant

risk owners regularly review and update these risks and provide updates to the Executive Directors and Committees. Any impacts to performance are reported back to Welsh Government via existing reporting structures. Scenario analysis is used to assess the potential impact of climate-related threats such as extreme weather, energy price volatility, and supply chain disruptions. Further details on our climate emergency risks and response will be included in the Health Board's Climate Adaptation Plan which is currently in development to meet the December 2025 deadline.

9.3 Biodiversity – Our Compliance Statement

9.3.1 What is the Biodiversity Duty?

Section 6 under Part 1 of the Environment (Wales) Act 2016 introduced an enhanced biodiversity and resilience of ecosystems duty (the S6 duty) for public authorities in the exercise of functions in relation to Wales.The S6 duty requires that public authorities (including all health boards and trusts) must seek to maintain and enhance biodiversity so far as consistent with the proper exercise of their functions and in so doing promote the resilience of ecosystems.

9.3.2 What do NHS Wales organisations have to do?

To comply with the S6 duty public authorities should embed the consideration of biodiversity and ecosystems into their early thinking and business planning, including any policies, plans, programmes and projects, as well as their day-to-day activities. To comply with the S6 duty, most public authorities must prepare and publish a plan setting out what they propose to do to maintain and enhance biodiversity and promote resilience. This plan can and should be an integral part of any planning document as part of the organisation's business or corporate planning processes. A standalone plan is not necessarily required.

As a public body in Wales, Hywel Dda University Health Board recognises its legal duty under Section 6 of the Environment (Wales) Act 2016 to seek to maintain and enhance biodiversity, and in doing so, promote the resilience of ecosystems, in the exercise of our functions.

We fully acknowledge the interdependencies between the natural environment, the health and well-being of our population, and our obligations under the Well-being of Future Generations (Wales) Act 2015. In line with the sustainable development principle, we aim to ensure that our decisions and operations meet today's needs without compromising the ability of future generations to meet theirs.

9.3.3 Our approach and achievements

In 2024–25, we have continued to build on our commitment to biodiversity and ecosystem resilience through a range of activities that align with our environmental and health objectives. These actions contribute directly to the following national well-being goals:

- A Resilient Wales – by supporting healthy, functioning ecosystems and managing our estate with nature in mind.
- A Healthier Wales – by creating greener spaces that support physical and mental well-being.

- A Globally Responsible Wales – by minimising ecological harm and fostering sustainable practices across our services and infrastructure.

Key actions include:

- Sustainable estate management: We have continued to implement nature-positive practices across our sites where opportunities arise, including habitat conservation, native tree and wildflower planting, and active development of green spaces.
- Green space enhancements: Projects such as biodiversity corridors, pollinator-friendly planting, and wildlife-friendly landscaping have been expanded across several community and hospital locations.
- Capital schemes and design standards: We increasingly factor biodiversity and climate resilience into capital developments and infrastructure upgrades where opportunities arise.

Staff and community engagement: We have partnered with organisations to improve green spaces and raise the profile of biodiversity.

9.3.4 Maintaining our commitments and moving forward

To further embed our statutory duties under the Environment Act and Future Generations Act, we will:

- develop and publish a Biodiversity and Ecosystem Resilience Plan aligned with both Acts, setting clear priorities;
- work with Natural Resources Wales, local authorities, and Public Health Wales to ensure co-ordinated approaches to nature recovery at a regional level;
- enhance green infrastructure across our estate to support biodiversity net gain, carbon reduction, and better patient environments where opportunities arise;
- incorporate biodiversity principles into our climate response planning (adaptation), recognising the link between environmental quality and health outcomes;
- monitor and report our biodiversity actions through our climate response activity aligning with our broader climate response and adaptation ambitions.

By taking these actions, the Health Board contributes meaningfully to Wales nature recovery agenda, while ensuring that our operational activities support the long-term well-being of the communities we serve.

10. Conclusion and forward look

This report highlights the incredible strength and resilience of our staff and partners, all working together to improve the health, care, and well-being of our patients and local communities, despite facing significant challenges throughout the year. Our teams have worked tirelessly to tackle issues like the backlog of patients waiting for care, workforce challenges, financial difficulties, and increasing demand on our services.

We've taken steps to improve our system and plan for the future. We're committed to restoring our financial health and performance to pre-pandemic levels and beyond. To help us do this, we've developed a one-year Annual Plan for 2025/26, which you can read here. This plan is ambitious yet practical, addressing our biggest challenges head-on and setting a path towards sustainable, high-quality healthcare for our communities.

Our approach balances immediate operational priorities with our long-term strategic vision. We're dedicated to the principles of our ‘A Healthier Mid and West Wales’ strategy, while recognising the need for deeper structural changes to ensure sustainable services. The plan sets clear priorities and measurable targets across urgent and emergency care, planned care and diagnostics, mental health, workforce stabilisation, and financial recovery. It also introduces a new Clinical Care Group leadership structure, bringing decision-making closer to patients and clinicians for greater accountability and more responsive service delivery.

In 2024/25, we made progress with our international recruitment programme, reducing vacancies and agency staff usage, decreasing the number of long-stay patients in hospitals, and advancing our Clinical Services Plan. Looking ahead, we aim to continue this progress, working with partners and responding to policy drivers like the NHS Wales Executive, National Clinical Framework, Foundational Economy, Social Duty of Care, and the Well-being of Future Generations Act, along with Ministerial Priorities and outcomes.

As a major employer and contributor to the local economy, we want to help our population develop rewarding careers, support local businesses, and regenerate our towns. We also aim to lead in addressing societal challenges like decarbonisation.

In 2025/26, we'll keep improving patient access across all planned care services by making our system more efficient and working regionally. We'll support our workforce with a focus on sustainability, reducing agency usage, and stabilising our teams. Our urgent and emergency care system will be redesigned in line with national goals. We'll strengthen partnerships with neighbouring health boards through regional initiatives like ARCH and the Mid Wales Joint Committee for Health and Care.

Financially, we're working towards long-term balance by delivering savings and collaborating with the Welsh Government. We'll continue with our refreshed strategy, 'A Healthier Mid and West Wales,' our Clinical Services Plan, and our Primary and Community Care Strategic Plan. Our efforts will also focus on digital healthcare, value-based care, research, innovation, and quality management.

As we move into 2025/26, we know there will be many challenges for us, but there will also be opportunities to embrace. Together, we can make meaningful changes in moving towards our vision of a healthier Mid and West Wales.

Bwrdd Iechyd Prifysgol
Hywel Dda
University Health Board

Rhan 2: Llywodraethu'r hyn rydyn ni'n ei wneud

Part 2: Governing what we do

2024/2025

11. Accountability Report

The purpose of the accountability section of the Annual Report is to provide an overview of the governance, arrangements and structures that were in place across the Health Board during 2024/25. It includes:

- **The Corporate Governance Report:** This report explains the composition and organisation of the Health Board and its governance structures and how they support the achievement of the Health Board's objectives. The Corporate Governance Report itself is in three main parts; the Directors' Report, the Statement of Accounting Officer's Responsibilities, and the Governance Statement.
- **The Remuneration and Staff Report:** The Remuneration and Staff Report contains information about senior managers' remuneration. It details salaries and other payments, the Health Board's policy on senior managers' remuneration, and whether there were any exit payments or other significant awards to current or former senior managers. In addition, the Remuneration and Staff Report sets out the membership of the Health Board's Remuneration and Terms of Service Committee, and staff information with regards to numbers, composition, and sickness absence, together with expenditure on consultancy and off payroll expenditure.
- **Senedd Cymru/Welsh Parliament Accountability and Audit Report:** The Senedd Cymru/Welsh Parliament Accountability and Audit Report provides information on such matters as regularity of expenditure, fees and charges, and the audit certificate and report.

11.1 Corporate Governance Report

11.1.1 Introduction

The Corporate Governance Report provides an overview of the governance arrangements and structures that were in place across the Health Board during 2024/25. It includes:

- **The Directors' Report:** This provides details of the Board who have responsibility for directing and controlling the major activities of the Health Board during the year. Some of the information which would normally be shown here is provided in other parts of the Annual Report and Accounts and this is highlighted where applicable.
- **The Statement of Accounting Officer's Responsibilities and Statement of Directors' Responsibilities:** This requires the Accountable Officer, Chair and Executive Director of Finance to confirm their responsibilities in preparing the financial statements and that the Annual Report and Accounts is fair, balanced, and understandable.
- **The Governance Statement:** This is the main document in the Corporate Governance Report. It explains the governance arrangements and structures within the Health Board and brings together how the organisation manages governance, risk and control.

11.2 Directors' Report

11.2.1 The composition of the Board and membership

The Directors' Report provides details about the Health Board, its independent members and executive directors, the structure of the Board and components of its governance and risk management structure. The Board is made up of 11 independent members (who are appointed by the Cabinet Secretary for Health and Social Services through the public appointments process) and nine executive directors who are employees of the Health Board. All independent members and executive director members have full voting rights.

In addition, there are two associate members who have been appointed by the Cabinet Secretary for Health and Social Care following a recommendation from the Health Board in accordance with standing orders. Associate members have no voting rights. There are also three directors, who form part of the Executive Team and the Board but who have no voting rights.

Our Board members as at 31 March 2025:

Dr Neil Wooding
Chair
(voting)

Professor Phil Kloer
Chief Executive
(voting)

Eleanor Marks
Vice Chair
(voting)

Lisa Gostling
Executive Director of Workforce and Organisational Development and Deputy Chief Executive
(voting)

Rhodri Evans
Independent Member (Local Authority)
(voting)

Andrew Carruthers
Chief Operating Officer
(voting)

Winston Weir
Independent Member (Finance Specialist)
(voting)

Huw Thomas
Executive Director of Finance
(voting)

Maynard Davies
Independent Member (Information Technology)
(voting)

Sharon Daniel
Interim Executive Director of Nursing, Quality and Patient Experience
(voting)

Michael Imperato
Independent Member (Legal)
(voting)

Mark Henwood
Interim Executive Medical Director
(voting)

Anna Lewis
Independent Member (Community)
(voting)

James Severs
Executive Director of Allied Health Professions and Health Sciences
(voting)

Ann Murphy
Independent Member (Trade Union)
(voting)

Lee Davies
Executive Director of Strategy and Planning
(voting)

Chantal Patel
Independent Member (University)
(voting)

Dr Ardiana Gjini
Executive Director of Public Health
(voting)

Delyth Raynsford
Independent Member (Community)
(voting)

Jill Paterson
Director of Primary Care, Community and Long Term Care
(non-voting)

Iwan Thomas
Independent Member (Third Sector)
(voting)

Alwena Hughes Moakes
Communications and Engagement Director
(non-voting)

Michael Gray
Associate Member (Director of Social Services Pembrokeshire County Council)
(non-voting)

Joanne Wilson
Director of Corporate Governance (Board Secretary)
(non-voting)

Jeremy Hockridge
Associate Member Chair of Stakeholder Reference Panel
(non-voting)

Further details of Board members for 2024/25 are detailed in Appendix 1 of our Governance Statement. This will include Board and committee membership for 2024/25, the meetings attended during the year and the champion roles fulfilled by Board members. In addition, short biographies of all Board members can be found on the Health Board's website at: https://hduhb.nhs.wales/about-us/your-health-board/board-members/

Changes to the composition of the Board throughout 2024/25 are outlined below:

- Judith Hardisty, Interim Chair, left the Health Board on 31 May 2024
- Dr Neil Wooding, took up position as Chair on 1 June 2024
- Professor Philip Kloer, who was appointed as Interim Chief Executive Officer from 1 February 2024 was substantively appointed as Chief Executive Officer from 22 October 2024
- Lisa Gostling, Executive Director of Workforce and Organisational Development/Interim Deputy Chief Executive was substantively appointed as Deputy Chief Executive from 2 December 2024
- Delyth Raynsford, Independent Member (Community) left the Health Board on 31 March 2025
- Sarah Harraway joined the Health Board as Independent Member (Community) on 6 May 2025
- Sharon Daniel was made substantive Director of Nursing, Quality and Patient Experience on 1 April 2025 after undertaking the role on an interim basis since 1 January 2024

11.2.2 Register of Interests

Details of company directorships and other significant interests held by members of the Board, which may conflict with their responsibilities, are maintained and updated on a regular basis. A register of interests is available on the Health Board's website at: https://hduhb.nhs.wales/register-of-interests-gifts-sponsorship-and-hospitality/. A hard copy can be obtained from the Director of Corporate Governance/Board Secretary on request.

11.2.3 Personal data-related incidents

Information on personal data-related incidents formally reported to the Information Commissioner's Office and serious untoward incidents involving data loss or confidentiality breaches are detailed in the data security section of the Governance Statement.

11.2.4 Environmental, social and community issues

These are outlined in pages 90 and 103 of the Performance Report.

11.2.5 Statement for public sector information holders

This is contained in the Senedd Cymru/Welsh Parliament Accountability and Audit Report of the Accountability Report.

11.3 Statement of the Chief Executive's responsibilities as Accountable Officer of Hywel Dda University Health Board

The Welsh Ministers have directed that the Chief Executive should be the accountable officer of Hywel Dda University Health Board.

The relevant responsibilities of accountable officers, including their responsibility for the propriety and regularity of the public finances for which they are answerable, and for the keeping of proper records, are set out in the Accountable Officer's Memorandum issued by the Welsh Government.

I can confirm that:

- to the best of my knowledge and belief, there is no relevant audit information of which Hywel Dda University Health Board's auditors are unaware and I have taken all steps that ought to have been taken to make myself aware of any relevant audit information and established that the auditors are aware of that information;
- Hywel Dda University Health Board's Annual Report and Accounts as a whole is fair, balanced, and understandable and I take personal responsibility for the Annual Report and accounts and the judgements required for determining that it is fair, balanced, and understandable.

The accountable officer is responsible for authorising the issue of the financial statements on the date they are certified by the Auditor General for Wales.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in my letter of appointment as an accountable officer.

Signed by:

Chief Executive: **Date:** **26 June 2025**

Professor Philip Kloer

11.4 Statement of directors' responsibilities in respect of the accounts

The directors are required under the National Health Service Act (Wales) 2006 to prepare accounts for each financial year.

The Welsh Ministers, with the approval of HM Treasury, direct that these accounts give a true and fair view of the state of affairs of Hywel Dda University Health Board (the Health Board) and of the income and expenditure of the Health Board for that period.

In preparing those accounts, the directors are required to:

- apply on a consistent basis accounting principles laid down by the Welsh ministers with the approval of HM Treasury;
- make judgements and estimates which are responsible and prudent; and
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.

The directors confirm that they have complied with the above requirements in preparing the accounts.

The directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the authority and to enable them to ensure that the accounts comply with requirements outlined in the above-mentioned direction by the Welsh ministers.

By order of the Board

Signed by:

Chair: **Date:** **26 June 2025**

Dr Neil Wooding

Chief Executive: **Date:** **26 June 2025**

Professor Philip Kloer

Executive Director of Finance: **Date:** **26 June 2025**

Huw Thomas

11.5 Governance statement

11.5.1 Scope of responsibility

The Board is accountable for governance, risk management and internal control. As Chief Executive of the Board, I have responsibility for maintaining appropriate governance structures and procedures, as well as a sound system of internal control that supports the achievement of the organisation's policies, aims and objectives, whilst safeguarding the public funds and the organisation's assets for which I am personally responsible. These are carried out in accordance with the responsibilities assigned by the Accountable Officer of NHS Wales.

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

The Governance Statement explains our governance arrangements and how they enable us to operate in an open and transparent way to support the achievement of our strategic objectives. The Board sits at the top of our internal governance and assurance system. It sets strategic objectives, monitors progress, agrees actions to achieve these objectives and ensures appropriate controls are in place and working properly. The Board also takes assurance from its committees, assessments against professional standards and regulatory frameworks.

Further detail on how we maintained good governance arrangements during 2024/25 are provided within this Governance Statement.

11.5.2 Escalation and intervention arrangements

Under the NHS Wales Escalation and Intervention Arrangements, the Welsh Government meets with Audit Wales and Healthcare Inspectorate Wales (Tripartite Group) twice a year to discuss the overall assessment of each health board, trust and special health authority in relation to the arrangements.

The Health Board has been in targeted intervention (level 4) for finance and planning, and enhanced monitoring for quality issues related to performance, resulting in long waiting times and poor patient experience since September 2022. However, due to the Welsh Government's concerns on our lack of sustained progress over a period of time on integrated planning, finance and delivery, in January 2024, the Welsh Government increased the escalation status to targeted intervention (level 4) for the entire organisation.

In March 2025, the Health Board was de-escalated for Child and Adolescent Mental Health Services, Planned Care, Governance and Leadership, with these all moved from targeted intervention to enhanced monitoring status (level 4 to level 3). This external validation highlights the tangible impact of our collective efforts, though we remain focused on addressing the areas still requiring improvement and further improving on our successes to date.

We have implemented a robust accountability system for managing targeted intervention through a comprehensive framework tracking 56 de-escalation criteria across six key domains. Each criteria follows a clear pathway from identification to resolution, with transparent classification (alert, advise, assure) that provides immediate visibility of progress. The framework assigns specific executive ownership for each criteria with established reporting routes through operational groups to committees and ultimately to the Board. This creates clear lines of accountability and ensures all improvement actions are systematically tracked, evidenced, and reported. Regular reviews through the governance structure maintain momentum and enable early intervention when progress stalls.

This approach has yielded significant results, particularly in financial management, where we have delivered over £30m of savings and reduced our projected deficit to £24m, considerably below our control total. Notable improvements are also evident in workforce stabilisation through international recruitment and reduced agency reliance, and progress in infection control measures.

As acknowledged in the recent Ministerial letter, while challenges remain in areas like cancer pathways, diagnostics and urgent care, our structured approach provides the foundation for sustainable improvement. The framework ensures we maintain focus across all domains simultaneously, driving continuous improvement while building the organisational capacity needed for long-term transformation and financial sustainability. This provides both the bedrock and backdrop for the 2025/26 annual plan.

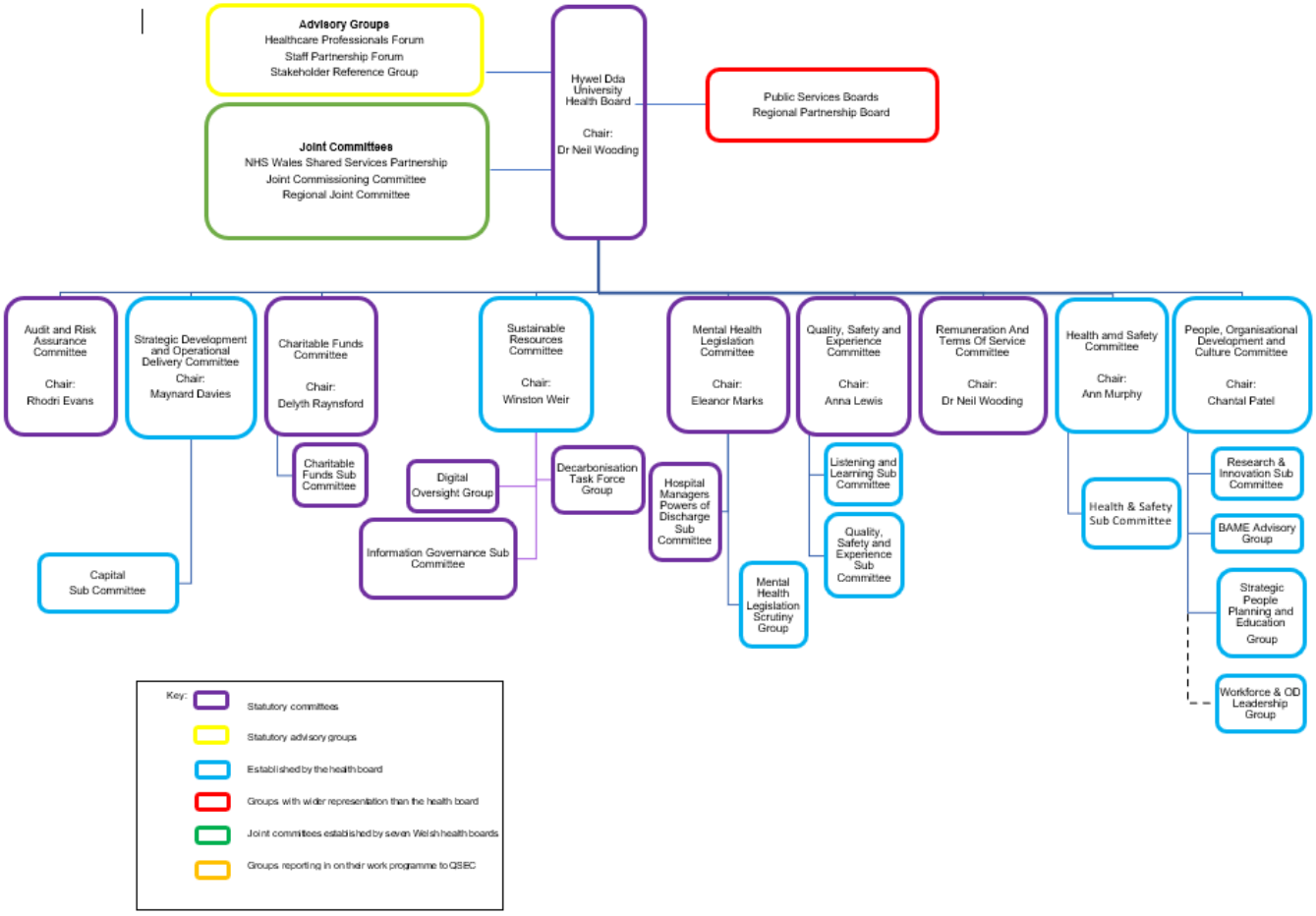
In addition to the routine performance management arrangements with the Welsh Government, which include regular Joint Executive Team (JET) and Integrated Quality, Planning and Delivery Group (IQPD) meetings, and quarterly escalation meetings. The Welsh Government will also agree with the Health Board the ongoing frequency of interventions, support and monitoring and the new de-escalation criteria.

11.5.3 Our governance framework

The Health Board has agreed standing orders for the regulation of proceedings and business of the organisation. These are designed to translate the statutory requirements set out in the LHB (Constitution, Membership and Procedures) (Wales) Regulations 2009 into day-to-day operating practice. Together with the adoption of a scheme of matters reserved to the Board, a scheme of delegation to officers and others and standing financial instructions, they provide the regulatory framework for the business conduct of the Health Board and define its ways of working.

These documents form the basis upon which our governance and accountability framework is developed and, together with the adoption of our standards of behaviour framework, are designed to ensure the achievement of the standards of good governance set for the NHS in Wales.

Board and committee structure as at 31 March 2025:



From 1 April 2025, a new committee structure has been approved by the Board which will see the disestablishment of the Strategic Development and Operational Delivery Committee and the Sustainable Resources Committee, these will be replaced by the following committees:

- Digital, Data and Innovation Committee
- Finance and Performance Committee
- Strategy and Planning Committee

11.5.4 Standing Orders

The Health Board approved the revised model Standing Orders and Standing Financial Instructions, issued by Welsh Government, at its Board in April 2025.

All variations to our Standing Orders are reported to the Audit and Risk Assurance Committee (ARAC). During 2024/25, there was one variation to the Standing Orders:

- **Annual General Meeting (AGM):** Standing Orders state that the Health Board 'must hold an AGM in public no later than 31 July each year.' In light of the revised timetable for Audit Wales to submit final annual reports and accounts to HSSG Finance for the reporting period

2024/25, Welsh Government confirmed that AGMs will take place no later than 30 September 2025. ARAC was advised through the review of Standing Orders directing that that AGMs must be held 'no later than 30 September 2025 for the year 2024/25. This was reported to the Board in May 2025.

11.5.5 The Board

The Board provides leadership and direction to the organisation and is responsible for governance, scrutiny, and public accountability, ensuring that its work is open and transparent. The Board functions as a corporate decision-making body.

As outlined in our Directors' Report, the Board is made up of individuals from a range of backgrounds, disciplines, areas of expertise.

The Board ensures that its work is open and transparent by holding its meetings in public. Meetings are also live-streamed, with recordings available on our website. While private meetings are kept to a minimum, where these are appropriate, meeting agendas are also published.

During 2024/25, the Board held:

- 8 meetings in public (all were quorate)
- 1 annual general meeting
- 9 seminar sessions

Attendance, detailing apologies received and nominated deputies, is formally recorded within the minutes. The dates, agendas and minutes of all public meetings can be found on the Health Board's website: https://hduhb.nhs.wales/about-us/your-health-board/

The Board has a programme of work which was adapted during the year to respond to emerging events and circumstances. There is also a clear patient and staff-centred focus by the Board at its meetings, demonstrated by the presentation of patient and staff stories at each meeting through the patient experience report.

Items considered by the Board during 2024/25 included:

- Year-end documentation, including Board effectiveness report, Head of Internal Audit Annual Report and Opinion, the Health Board's Annual Report and Accounts for 2023/24 and Audit Wales ISA 260 and Letter of Representation
- Duty of Quality and Duty of Candour report
- Audit Wales Annual Audit Letter and Structured Assessment
- Standing Orders, Standing Financial Instructions and Scheme of Delegation
- Risk Management Strategy and Risk Management Procedure
- Risk Appetite Statement
- Revised Board and committee governance arrangements
- Primary care governance arrangements
- Nurse Staffing Levels (Wales) Act compliance reports and annual report
- Organ Donation Annual Report

- Clinical Services Plan update reports
- Primary Care and Community Services Strategic Plan
- Accountability Report
- Strategic approach to Financial Recovery Report
- Provision of dental services for Hendy Gwyn, Haverfordwest and Carmarthen tender process
- Planning maturity matrix and action plan approval
- Research and Innovation Strategic Plan 2025-2030
- Discretionary Capital Programme 2025-2026
- Regional Pathology Operational Delivery Network
- Funded Nursing Care Rate 2024/25
- Immunisation Equity Strategic Plan
- Approval for RAAC works over £1m
- St David's Surgery
- Accelerating the Cylch Caron model of care
- Prince Philip Hospital Minor Injuries Unit options
- Paediatric impatient provision at Bronglais Hospital
- Community engagement
- Mental health S136 facilities public engagement
- Eye health needs assessment
- Director of Public Health Annual Report
- Healthcare Inspectorate Wales Annual Report
- Llais Annual Report
- A Regional Collaboration for Health (ARCH) review
- Development of the Regional Pathology Operational Delivery Network
- Mental health service provision: Ceredigion
- Measures to improve children's autistic spectrum disorder services
- Winter respiratory vaccination programme
- Health Improvement and Well-being Strategic Plan
- Well-being Objectives Annual Report
- Major Incident Plan
- Collaboration Agreement for the Flying Start Healthy Child Wales Programme.
- Eliminating Hepatitis B and C Joint Recovery Plan
- Safeguarding Strategy
- Social model for health and well-being
- Long term agreements
- Pentre Awel
- Welsh Government Building, Picton Terrace
- Strategic Equality Plan Annual Report
- Temporary workforce – variable pay reduction
- Business cases relating to:
    - Sexual Assault Referral Centre business justification case
    - Patient Flow and eObservations final business case
    - Withybush Hospital (WGH) Fire Works business justification case

- Bronglais Hospital (BGH) Fire Works PBC
- Letters of Fire Safety Matters at BGH
- Fire Investment Programme
- Digital Cellular Pathology business justification case
- Digital Maternity Cymru business case
- Digital transformation strategic partner
- Aseptic Project business justification case
- Hub Pathology Centre of Excellence

As well as the items above, the Board also received the following routine/regular items:

- Updates on implementing the Healthier Mid and West Wales Strategy, including Programme Business Case (PBC) and land identification plan/consultation
- Reports on the Annual Plan 2024/25 and development of the Annual Plan 2025/26
- Reports on the financial performance and the related risks for discussion
- Procurement reports
- Property lease reports
- Reports on improving patient experience, providing feedback and activity, for assurance
- Integrated performance assurance reports identifying areas of concern for discussion
- Board Assurance Framework (BAF) dashboard providing a visual representation of the Health Board's progress against each strategic objective for assurance
- Corporate risk reports providing assurance on the management of risks and any variances to agreed tolerance levels
- Reports from the Chair and Chief Executive (including the register of sealings for endorsement and status reports on consultations) for discussion
- Update reports from Board committees (including approval terms of reference, committee annual reports
- Assurance reports and endorsement of any matters arising from the In-Committee Board, Board Committees, Joint Committees, Advisory Groups and statutory partnerships of the Board
- Update reports from the Regional Joint Committee
- Minutes from our Corporate Trustee

11.5.6 Board committees

The Board is supported by a number of committees, each chaired by an independent member. These committees have an important role in providing scrutiny and seeking assurance in relation to the achievement of our strategic and planning objectives, provision of safe and effective services, compliance with legislation and standards, learning from lessons, and oversight of performance and risk. The Health Board has the following committees in place:

- Audit and Risk Assurance Committee (ARAC)
- Charitable Funds Committee (CFC)
- Ethics Panel (EP)
- Health and Safety Committee (HSC)

- Mental Health Legislation Committee (MHLC)
- People, Organisational Development and Culture Committee (PODCC)
- Quality, Safety and Experience Committee (QSEC)
- Remuneration and Terms of Service Committee (RTSC)
- Strategic Development and Operational Delivery Committee (SDODC)
- Sustainable Resources Committee (SRC)

The terms of reference for all Board committees are reviewed on at least an annual basis and can be found in the governance arrangements section on our website: https://hduhb.nhs.wales/about-us/governance-arrangements/)

Details of membership and the record of attendance at both Board and these committees is set out in Appendix 1, with a table of quoracy at Appendix 2.

Each committee has an executive director lead who works closely with the chair of the committee to set agendas, plan the business cycle and support good quality, timely information being relayed to the committee. As well as producing formal minutes and a decision log, each committee maintains a table of actions that is monitored at meetings.

The Chair of each committee provides a written report to the Board following each meeting. In 2024/25, the Board introduced the 'Triple A' report (alert, advise and assure) which enables the Board to be 'alerted' to the significant areas of concern escalated from its committees, 'advised' of matters that committees are closely monitoring and be 'assured' on other matters considered by committees. The reports also outline key risks and areas of learning. Each committee chair is also responsible for providing the Board with an annual report, setting out a summary of its work throughout the year and the review of its performance.

The committees, as well as reporting to the Board, also work together on behalf of the Board to ensure, where required, that cross reporting and consideration takes place, and assurance and advice, is provided to the Board and the wider organisation. Committee chairs also meet to support the connection and triangulation of information between committees, and to continually assess the effectiveness of the Board committees.

Throughout the year, each committee has undertaken a self-assessment and produced a meaningful development plan to ensure there is continual learning and improvement. This process adds value to the organisation's governance capability and provides an opportunity for committees to reflect on the previous 12 months and to consider areas the committee has influenced, driven improvements and learnt from where the committee could have placed more focus. Outcomes from the process have been taken forward by committees to improve effectiveness and governance arrangements, with themes from the committees' self-assessment process informing the Board's development programme.

A summary of key items considered by committees can be found in Appendix 3.

Following a review by the Chair and incorporating feedback from the committee self-assessment process, in January 2025, the Board approved revised Board committee governance arrangements which were implemented on 1 April 2025. The changes were detailed in the Revised-committee-arrangements report to Board and summarised as follows:

- The disestablishment of SRC and SDODC from 31 March 2025
- The establishment of a Finance and Performance Committee which has a focus on financial and operational delivery
- The establishment of a Strategy and Planning Committee which has a focus on planning and strategic development
- The establishment of a new Digital, Data and Innovation Committee which has a focus on digital transformation, data quality, and research and innovation

11.5.7 Advisory groups

The Health Board has a statutory duty to 'take account of representations made by persons and organisations who represent the interests of the communities it serves, its officers and healthcare professionals'. This is achieved in part by three advisory groups to the Board.

- **Healthcare Professionals' Forum (HPF)**

The HPF comprises of representatives from a range of clinical and healthcare professions within the Health Board and across primary care practitioners with the remit to provide advice to the Board on all professional and clinical issues it considers appropriate. It is one of the forums used to share early service change plans, providing an opportunity to shape the way the Health Board delivers its services. HPF met twice during 2024/25, and will be reinvigorated in 2025/26. Items considered included:

- Stakeholder mapping update
- Membership update
- Clinical Services Plan update

- **Staff Partnership Forum (SPF)**

The SPF engages with staff partnership organisations on key issues facing the Health Board. It provides the formal mechanism through which the Health Board works together with trade unions and professional bodies to improve health services for the population it serves. It is the forum where key stakeholders engage with each other to inform debate and seek to agree local priorities on workforce and health service issues. SPF met six times during 2024/25. Items considered included:

- Local Partnership Forum updates
- Organisational changes
- Health and safety updates
- Policy updates
- Strategic Equality Plan

A successful workshop was held around implementing four key areas included in the non-pay elements of the pay deal, where the staff side and workforce lead updated on progress within their groups.

- **Stakeholder Reference Group (SRG)**

The SRG is formed from a range of partner organisations from across the Health Board's area. It engages with and is involved in the strategic direction, advises on service improvement proposals and provides feedback to the Board on the impact of its operations on the communities it serves. The SRG met four times during 2024/25. Reflective sessions form part of all meetings to obtain feedback on meetings to ensure continuous improvement. Regular agenda items include updates on:

- Continuous engagement programme
- Current and future planned consultations
- Integrated performance assurance reports

A workshop was held to review the group's effectiveness as well as a briefing session for new members to explain the aims and objectives of the group.

11.5.8 Other advisory groups

- **Black, Asian, and Minority Ethnic (BAME) Advisory Group**

The BAME Advisory Group was established in July 2020 to advise the Health Board on mainstreaming equality, diversity and inclusion and provide a forum to empower and enable BAME staff to achieve their potential through creating positive change. The BAME Advisory Group met twice during 2024/25. In August 2024, as part of the review of the terms of reference, the group changed its name to the Hywel Dda Anti-Racist Group, in order to provide a clearer focus on the implementation of the all-Wales anti-racism action plan. Subsequently, during the autumn, the Board commissioned a broader review of the Health Board's equality, diversity and inclusion actions, and the group has paused meeting pending completion of this review.

11.5.9 Joint committees

- **Regional Joint Committee (RJC)**

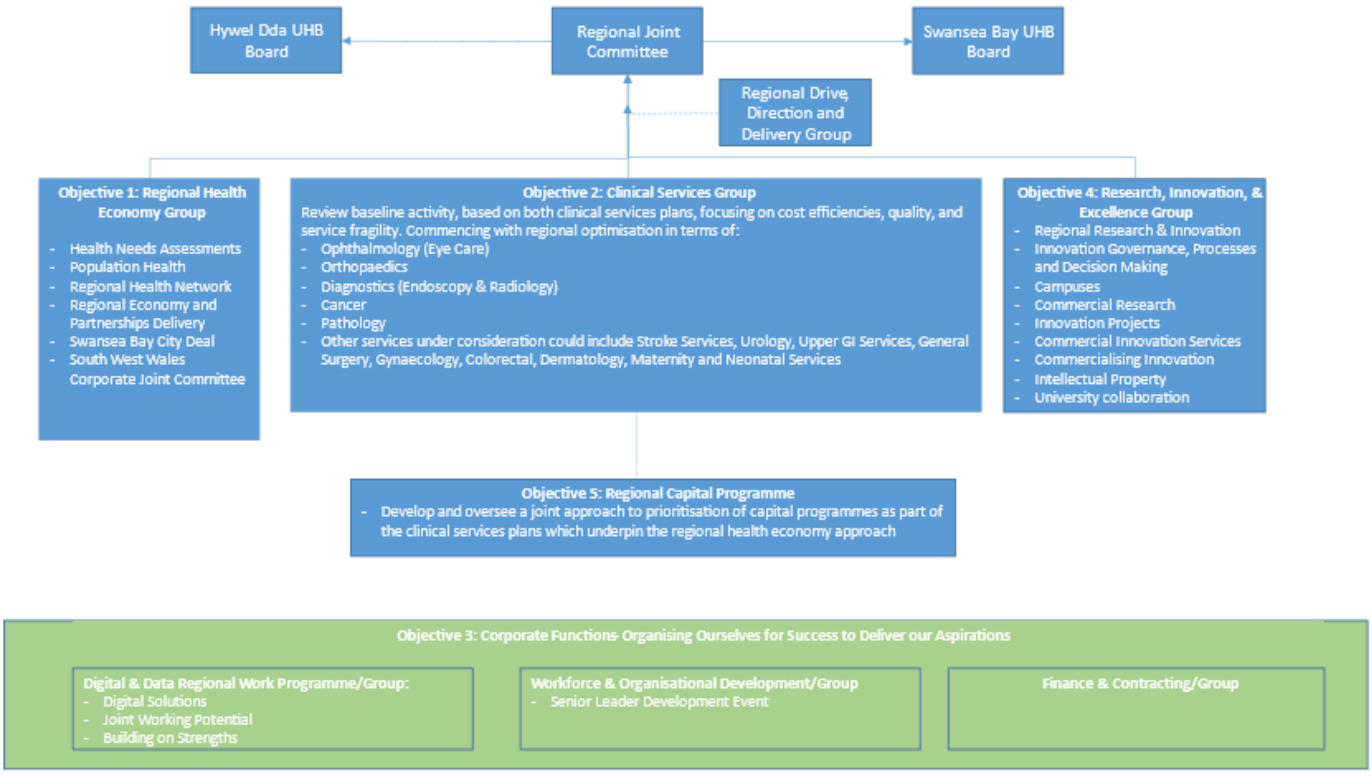
On 19 March 2024, Hywel Dda and Swansea Bay university health boards were directed by the then Minister for Health and Social Services, to establish a joint committee to explore regional solutions that will progress sustainable service provision and improved quality and outcomes, whilst addressing workforce, infrastructure and financial constraints. The expectation from Welsh Government was a commitment to regional working within the Integrated Medium-Term Plans/Annual Plans for 2024/25 for both health boards, with key deliverables within our objectives and a requirement to work collaboratively, Welsh Government intend to hold both health boards to account via the quality, performance and delivery framework. The focus will be on population health, prevention and early intervention, with excellent health services that are leading edge and sustainable, and effective partnerships that focus on the wider determinants of health and reducing inequalities.

A joint Board to Board meeting was held on 17 October 2024 to develop a joint ambition and consider how to strengthen the existing regional working arrangements that were in place. Even

though both health boards face challenges, this was recognised as an exciting opportunity to work closer together for the benefit of our joint population.

The inaugural meeting took place in January 2025 and meetings thereafter will be quarterly.

Terms of Reference for the RJC were approved by both Swansea Bay and Hywel Dda university health boards in January 2025. In recognition that the RJC is the equivalent of a Board level assurance Committee, in March 2025, the Board approved governance arrangements to support delivery of the RJC's work programme.



Further information on these arrangements can be accessed in the following report which was presented to the Board in March 2025 (Board agenda and papers 27 March 2025 - Hywel Dda University Health Board).

- **Mid Wales Joint Health and Social Care Committee**

The Mid Wales Joint Committee, established in response to the recommendations of the Mid Wales Healthcare Study (2014), is a formal collaborative between the health and care organisations covering the mid Wales region. Members of the Joint Committee includes the three Local Heath Boards (Betsi Cadwaladr University Health Board, Hywel Dda University Health Board, Powys Teaching Health Board), Welsh Ambulance Services University NHS Trust and the three Local Authorities (Ceredigion County Council, Gwynedd Council and Powys County Council).

The Mid Wales Joint Health and Social Care Committee has a set of annually agreed mid Wales priority areas which have been identified as those areas that will provide added value through working on a Mid Wales footprint. These priorities align with the Integrated Medium-Term,

Annual and Regional Plans of the Joint Committee's partner organisations. The priority areas focus on a whole pathway approach with regional links between primary, secondary, community and social care which support the Welsh Government's expectation for mid Wales organisations to work together to plan and deliver regional solutions across organisational boundaries.

The work of the Joint Committee is co-ordinated by the Mid Wales Planning and Delivery Executive Group. The focus of the group's work is to oversee the development and implementation of the Mid Wales Priorities and Delivery Plan which is considered alongside individual organisational plans together with the consideration of any other emerging matters which require a collaborative discussion and regional approach.

The Mid Wales Joint Health and Social Care Committee is led by a number of Executive Directors from across the region. The April 2024 Committee meeting was Chaired by Judith Hardisty (who was the interim Chair for Hywel Dda UHB at the time). The role of Lead Chair has now changed to Dyfed Edwards (Chair of Betsi Cadwaladr UHB) as from November 2024. Members of the Committee include the Executive Director of Strategy and Planning, the Chair and Chief Executive of Hywel Dda UHB and the Hywel Dda UHB Programme Director.

The Committee met twice during 2024/25 (April and October). Updates were received on:

- Mid Wales Joint Committee's Priorities and Delivery Plan 2024/25
- Mid Wales Clinical Advisory Group
- Rural Health and Care Wales Stakeholder Group
- Rural Health and Care Wales Work Programme
- Annual Plans for the three local health boards

The overarching priorities for 2024/25 include:

- Urology – To continue to develop a programme of renewal of urology pathways across the region.
- Ophthalmology – To scope alternative options to the triumvirate mid Wales collaboration ophthalmology consultant leadership role and increase capacity and access to services through the development of a regional and whole system pathway approach.
- Cancer and Chemotherapy Outreach – To establish a new Chemotherapy Day Unit in Bronglais Hospital and to review radiotherapy and chemotherapy pathways to identify opportunities for increasing provision and improving access across mid Wales. The business case for the second permanent CT3 simulator has been approved by the Welsh Government. Building work is planned for April to June 2025 with handover planned for August 2025. The second CT simulator will meet the increased demand for radiotherapy services across south west Wales.
- Community Dental Services - Exploring the feasibility of an integrated service for joint paediatric general anaesthetic list at Bronglais Hospital using existing facilities not fully utilised and identify what improvements could be made to general NHS dental services provision across mid Wales.

- Clinical Strategy for Hospital Based Care and Treatment and regional solutions – implementation of the Bronglais Hospital 10 Year Clinical Strategy which will support the development of regional and cross border solutions.
- Cross border workforce arrangements – develop solutions to establish cross border health and social care workforce arrangements across mid Wales.

Supporting the delivery of the mid Wales priorities are a set of three clinical and three social care priorities which have been identified by the Mid Wales Clinical Advisory Group and Mid Wales Social Care Group.

Clinical priorities for 2024/25:

- Urology
- Rheumatology

Members of the Mid Wales Social Care Group were asked to provide feedback on what they felt should be the social care priorities for 2025/26, whether the priorities for 2024/25 should continue into 2025/26 and whether there were any other emerging priorities which needed to be considered. Following consideration of the feedback received the group agreed that the social care priorities for 2025/26 should be as follows:

- Residential Children's Accommodation
- Trusted Assessor along with Delayed Pathways of Care
- Welsh Community Care Information System (WCCIS)

- **NHS Wales Joint Commissioning Committee (NWJCC)**

We are a member of the NWJCC which was established in response to the findings of an independent review commissioned by Welsh Government into the national commissioning arrangements undertaken by the Emergency Ambulance Services Committee (EASC), the Welsh Health Specialised Services Committee (WHSSC) and the National Collaborative Commissioning Unit (NCCU).

From 1 April 2024, the NWJCC replaced EASC and WHSSC and took responsibility for the services previously commissioned by these committees and the NCCU, together with the commissioning of NHS 111 Wales services, and the Sexual Assault Referral Centres for Wales.

The NWJCC is a joint committee of the seven health boards acting collectively on their behalf. However, individual health boards are ultimately accountable to their population and other stakeholders for the provision of the services commissioned by the NWJCC for the residents in their area.

Hosted by Cwm Taf Morgannwg University Health Board, we are represented on the Joint Committee by the Chief Executive and regular reports are received by the Board supported by a more in-depth discussion, on an annual basis, at the Board seminar meeting.

11.5.10 Partnership and collective working

- **Hywel Dda public service boards (PSBs)**

We are a statutory member of the public services boards (PSBs) in Carmarthenshire, Ceredigion and Pembrokeshire. PSBs were established under the Well-being of Future Generations (Wales) Act 2015. Their purpose is to improve the economic, social, environmental and cultural well-being in its area by strengthening joint working across all public services in Wales. The effective working of PSBs is subject to overview and scrutiny by the Well-being of Future Generations Commissioner, Audit Wales, as well as designated local authority overview and scrutiny committees.

All three PSBs have cross-cutting themes of reducing inequalities, inequity and poverty.

Ceredigion PSB met in July, September and March to focus on community consultation and climate and nature delivery group initiatives such as decarbonisation plans and climate change risk assessment. In September, an updated delivery framework was reviewed. In March, updates from the Refugee Resettlement Group, Well-being in Lampeter Delivery Group and joint working arrangements between Ceredigion Association of Volunteer Organisations (CAVO) and Cwmpas were received. The PSB Annual Report is being drafted and due to be presented in June 2025.

Pembrokeshire PSB met in July, September and February focusing on the well-being assessment and plan, increasing engagement with young people, decarbonisation and climate change. Updates were also provided on strengthening communities workstream and on the poverty workstream of the PSB well-being plan including the local family and community engagement (FaCE) programme, which was noted as an example of joint working with education, health, social services and housing. The Nature, Decarbonisation and Climate Change Group discussed options for future chairing as the current Chair is due to step down in the near future.

Carmarthenshire PSB met in September, November and January. A climate change risk assessment workshop was held in June 2024 with a report presented at the PSB in September, after which a task and finish group for climate change risk assessment was established which subsequently met in March 2025. In March, updates were received from the ‘Whole Systems Approach to Healthy Weight, Healthy Wales’ programme. Carmarthenshire County Council shared their Corporate Parenting Charter, highlighting the principles and promises to support care-experienced young people. Updates were provided from the task and finish groups on:

- Promoting work and career opportunities in the public sector
- Make every contact count
- Collaboration on electric vehicle charging infrastructure
- Carmarthenshire food strategy

PSB partners agreed to continue to support the well-being plan information events as part of community consultation.

The Board has received updates from all PSBs on the work they are undertaking to progress their well-being objectives, outlined below:

Carmarthenshire PSB well-being objectives	Ceredigion PSB well-being objectives	Pembrokeshire PSB well-being objectives
•Ensuring a sustainable economy and fair employment •Improving well-being and reducing health inequalities •Responding to the climate and nature emergencies •Tackling poverty and its impacts •Helping to create safe and diverse communities and places	•Working together to achieve a sustainable economy that benefits local people and builds on the strengths of Ceredigion •Work together to reduce inequalities in our communities and use social and green solutions to improve physical and mental health •Work together to deliver decarbonisation initiatives within Ceredigion to protect and enhance our natural resources •Work together to enable communities to feel safe and connected and will promote cultural diversity and increase opportunities to use the Welsh language	•Support growth, jobs and prosperity and enable the transition to a more sustainable and greener economy •Work with our communities to reduce inequalities and improve well-being •Promote and support initiatives to deliver decarbonisation, manage climate adaption and tackle the nature emergency •Enable safe, connected, resourceful and diverse communities

- **West Wales Regional Partnership Board (RPB)**

Regional Partnership Boards (RPBs), based on local health board footprints, became a legislative requirement under Part 9 of the Social Services and Well-being (Wales) Act 2014 (SSWBWA). Their core remit is to promote and drive the transformation and integration of health and social care within their areas. We are fully committed to integrating health and social care planning through a co-ordinated approach. Across west Wales we have a strong track record of joint planning between agencies and the approach set out by the Welsh Government this year builds upon the foundations already in place.

RPBs have an important role in co-ordinating integrated capital planning activity for their region. This includes the utilisation of dedicated funds for RPBs in addition to the existing capital portfolios of local authorities and health boards. In west Wales, there is a RPB Capital Strategic Board and Operational Group for this purpose, jointly chaired by the Director of Communities for Carmarthenshire County Council and the Executive Director of Strategy and Planning for Hywel Dda University Health Board.

A summary of the items discussed in 2024/25 include:

- Further/Faster Funding update and financial tracker
- Advocacy Strategy launch
- Neurodiverse Improvement Programme Funding
- Dementia Strategy Report
- RPB Citizen and Third Sector Engagement Panel launch
- Social Prescribing Mapping Questionnaire submission
- Regional Integrated Fund Report
- 50 Day Challenge
- NEST Framework (Nurturing Empowering Safe Trusted)
- Health and Social Care Integration Fund (RIF)

Workshops facilitated by an external company were held in July and September focusing on governance, purpose and self-assessment outcomes.

The first 'Regional Footprint' meeting with the Cabinet Secretary and Welsh Government was held on 9 October 2024, with senior leaders from the Health Board, local authorities and RPB. The meeting reflected the improvements in performance of the region, and the ongoing work to deliver on the Care Action Committee priorities.

Representatives from Welsh Government visited Prince Philip Hospital in October to review carers' initiatives, providing positive feedback.

The RPB meetings have been focusing on a series of facilitated workshops concentrating on the form, function and purpose of the Board following completion of a self-assessment tool. Following these workshops, and the report that followed, the RPB meetings will now be re-purposed to ensure concentration on setting direction around integration and regional working and focusing on specific issues in each meeting.

The first of these new style meetings took place in January 2025, where the agenda concentrated on the changes to the Partnership Regulations which came into force on 31 December 2024, and how the RPB will be implementing them.

The role of the RPB and how it can add value and ensure it meets its aims has been the subject of discussion in several planned meetings between senior executives, the Chair and lead of the RPB. Once completed, a written report will be presented to the Board. It will also be part of the refresh of the self-assessment tool and the Population Health Needs Assessment that each RPB in Wales must complete by September 2025.

The Health and Social Care Regional Integration Fund (RIF) is currently at the half-way point of its five-year cycle, and two meetings have been held to begin discussing the future of RIF and options for further iteration. A general consensus view is that this will be aligned to the vision of an Integrated Community Care System (ICCS).

- **NHS Wales Shared Services Partnership Committee (NWSSPC)**

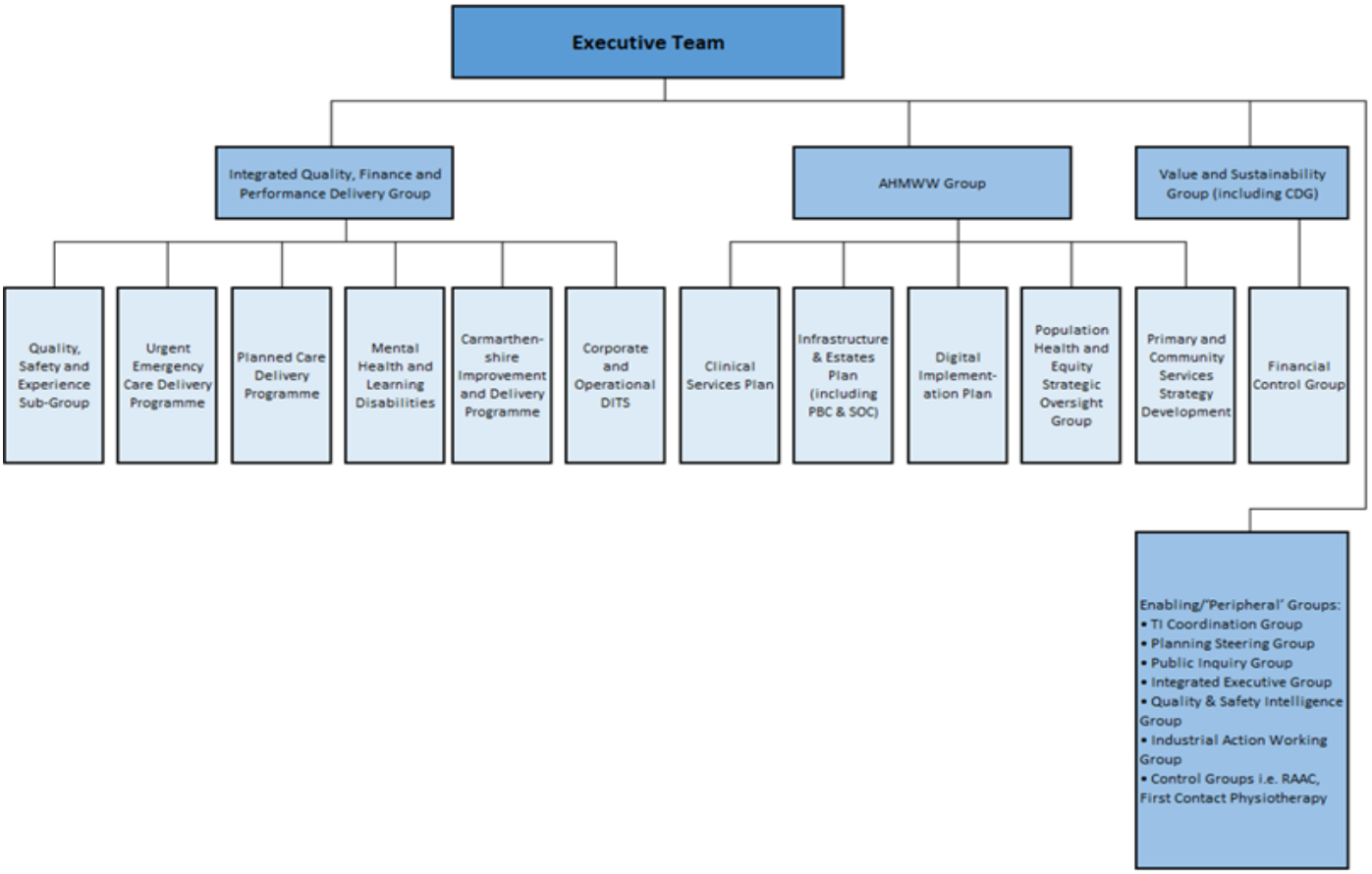
The NWSSPC was established in 2012 and is hosted by Velindre NHS Trust. It is responsible for the shared services functions for the NHS, such as procurement, recruitment, and legal services.

Hywel Dda is represented by the Executive Director of Finance at this committee with regular reports received by the Board following each meeting.

11.5.11 Executive and operational governance arrangements

As from April 2024, a new executive governance structure was established to:

- ensure there is sustained progress on integrated planning, finance, and delivery, as required by Welsh Government;
- ensure the work of the executive team and its underpinning sub structure are aligned with the Board and its Committees;
- better enable the Executive Team to respond to the targeted intervention escalation status.



- **Formal Executive Team**

The formal Executive Team has been established as the body within the Health Board that endorses, prior to Board consideration, the formulation of plans, policies and strategies. It will also oversee operational management ensuring the organisation develops population services, builds commissioning capabilities to deliver plans to develop the organisational system, ensuring robust quality, safety, financial and performance management arrangements are in place.

The Executive Team is the primary executive decision-making body of the Health Board in relation to the delivery of the organisation's strategic goals. It has powers delegated by way of those already vested in the individual executive directors/directors via the scheme of delegation.

The Executive Team meet weekly, with formal meetings held every other week and business meetings held on the alternative week.

- **Integrated Quality, Financial Performance Delivery (IQFPD) Group**

Terms of reference were constructed in April 2024 along similar lines to those of Welsh Government's Integrated Quality Planning Delivery Group, outlining its responsibilities to ensure the effective planning and delivery of elements of the Health Board's Annual Plan, to consider themes and issues that arose through the Directorate Improvement Together Sessions, and provide direction where needed on how to address them. These terms of reference have been updated to reflect the new reporting arrangements for the new Clinical Care Groups from April 2025.

- **A Healthier Mid and West Wales Group**

This group took on a broader role than the previous A Healthier Mid and West Programme Group which focused solely on production of the Strategic Outline Case (SOC) for Board and Welsh Government approval. Its role incorporates the delivery of the Health Board's strategy in its wider sense, and also reflect the various programmes that feed into it in addition to the SOC.

- **Value and Sustainability Group**

Terms of reference were constructed in April 2024 along similar lines to those of Welsh Government's Value and Sustainability Board. The Group is responsible for focusing on the identification of and driving financial improvement opportunities, supporting the delivery of savings plans. It will contribute to the Health Board's efforts to address the financial challenges identified in the Targeted Intervention framework which will be essential in enabling us to progress towards a more financially sustainable position and, ultimately, de-escalation from Targeted Intervention.

- **Operational directorate governance arrangements**

In response to previous recommendations from Audit Wales, the operational directorate structure was reviewed during 2024 to strengthen our leadership capacity and implement a more effective operational structure. This introduced six new clinical care groups, which includes an estates and facilities care group. Revised governance arrangements to support the new structure were also put in place to ensure there was consistency and standardisation, as well as to strengthen the flow of information from the new clinical care groups to the Executive Team. These new arrangements will be implemented from 1 April 2025, alongside a leadership and organisational development plan to support implementation of the new structure.

The implementation of clinical care groups represents a substantial change in our operational structure, designed to enhance governance, improve performance, and deliver better outcomes for patients.

Each clinical care group will be required to establish an integrated governance group, which will report into the IQFPDG (see above) with prescribed terms of reference and standard agendas to cover the following specific areas:

- Planning, performance (to include financial performance) and people
- Quality and safety (to include health and safety)

11.5.12 Board development

Audit Wales Structured Assessment recognises our robust approach to Board development and improvement, and the importance of providing a good foundation to manage the period of significant change that has taken place at Board level in recent years. This transition was enabled through a series of Board development interventions such as development sessions on:

- Board Dynamics; Changes Ahead and Future Direction (July 2023);
- Changing Faces; Changing Places and an Organisational Landscape Review (Feb 2024);
- Chairing for Change and Changing Effectively as a Board (July 2024).

A further phase of the Board Development programme has been designed and commenced in January 2025 with the Board drawing up a set of design principles to guide their work for positive change in 2025 and beyond. Further whole Board events are planned throughout the year, together with a series of quarterly executive time-out sessions focusing on leadership development, team effectiveness and strategy development. In addition, the Chair and Chief Executive commenced a 12-month 'Two at the Top' programme in March 2025.

Talent management and succession planning will continue to be a key theme of the Board programme and builds on the work done in the last 12 months which involved:

- a review of the performance and talent management approach for independent members;
- a quarterly performance review system for executives and the introduction of a potential and performance talent approach to support career development and future aspirations.

Two of the Executive Team members have completed the Health Education Improvement Wales (HEIW) Aspiring Chief Executive Officer (CEO) programme within the last 12 months, with one of them being appointed to the substantive CEO position within Hywel Dda.

Broader talent management and succession approaches for longer term Board membership pipelines have included:

- the establishment of a talent pool for Aspiring Assistant Directors;
- the introduction of a robust Assessment Centre approach for recruitment and selection to senior leadership roles which includes psychometric testing, values and stakeholder panels as well as an interview;
- commissioning an Equality, Diversity and Inclusivity Task Force to undertake a broader review of the Health Board's equality, diversity and inclusion actions, which will include direct involvement from the Board;
- early engagement in HEIW's national programme for aspiring Independent Members from racially minoritised communities to strengthen diversity on the Board.

Revised arrangements for Board level committee working and chairing roles have also been agreed which have further supported the talent management and succession planning progress of the Board as a whole.

Consequently, organisation performance results over the last 12 months are progressing in the right direction and the role of Board members in terms of providing scrutiny and seeking assurance has been pivotal to that progression. Furthermore, a renewed commitment to the leadership principles across Hywel Dda was demonstrated by the Board's adoption of the HEIW compassionate leadership pledge in July 2024.

This year, part of the new Chair and Vice-Chair's induction programmes have been extended to all Board members through a series of optional 'lunch and learn' events. These refresher sessions cover topics such as patient safety walkarounds, finance, patient service and complaints, risk and estates/capital projects.

11.5.13 Effectiveness of the Board and committees

Audit Wales concluded that arrangements for reviewing the Board's effectiveness remain strong in their structured assessment in 2024.

Our committees continue to review their effectiveness after each meeting where independent members have dedicated time to reflect on the meeting, which enables continuous learning and improvement. Members of our committees are also asked to complete a self-assessment survey to reflect on how the committees have operated over the previous 12 months. An outcome report, with an action plan to address any areas of development or improvement, is produced for each committee, as well as being reported in the committee annual reports. Themes are also fed into the Board development programme.

When assessing its own effectiveness, the Board draws on internal and external sources of assurance to help it evaluate its annual effectiveness, including the following:

- Joint escalation and intervention arrangements status as the Welsh Government raised the escalation status of the Health Board to targeted intervention for the whole organisation (see Escalation and intervention arrangements section of the report)
- Audit Wales structured assessment (more information on this can be found in the Audit Wales Structured Assessment section of this report
- Self-assessment against the Code of Corporate Governance (see Code of Corporate Governance section of the report)
- Feedback from the Board committee self-assessment programme
- Internal Audit reports received throughout 2024/25

In response to Health Board's escalation status to Targeted Intervention (level 4) for the entire organisation, the Board undertook a refreshed approach to assessing its effectiveness for 2024/25. This was partly in response to the de-escalation criteria within the 'governance' domain which required a 'self-assessment against an agreed governance maturity matrix with evidence of the agreed level', but also the Board's own recognition that it needed to take a more nuanced approach to assessing its effectiveness to ensure it continues to evolve and mature. The new maturity matrix describes ten key elements of good governance for NHS organisations which is aligned to NHS Wales requirements and expectations.

The Board considered the evidence outlined against the maturity matrix and agreed the following maturity levels:

Key criteria	Maturity level	Maturity level description
1. Clarity of purpose, roles and behaviours	3	The Board has agreed cultural and ethical values and strategic objectives, combined with a robust mechanism for developing care services and settings against these
2. Oversight and administration principles	4	Using these principles has helped Board members to better understand their roles in governance. Governance activities that provide little value and do not meet the principles have been stopped
3. Leadership and strategic direction	3	An induction and development programme is in place for Board/and aspirant members. Diversity is embedded in the approach.
4. Effective external relationships	3	Effective citizen involvement is in place, and evidenced by improvement initiatives that are put into operation as a result.
5. Effective internal relationships	3	The organisation prioritises staff and internal stakeholder involvement, and formal and informal input and feedback from all staff, new staff, and leavers, is sought and valued.
6. Transparency and public reporting	3	The Board publicly demonstrates conflicts are examined and covered within contracts; Limited use of In-Committee meetings; integrated public reporting is central to organisational finance, quality, and performance management.
7. Systems and structures: quality and safety	3	Quality management system strategic framework implementation demonstrates improvements in the domains within the health and care quality standards.
8. Delivery of agreed outcomes	2	Performance reports including benchmarking data and key performance indicators are in development.
9. Risk management and compliance	4	The Board Assurance Framework is central to the management of risks to achieving strategic objectives, with a quarterly update and annual action planning to drive business. Emergency and business continuity plans are improved through a range of scenario tests in year
10. Effectiveness and added value	3	The annual cycle of business is planned and the Board Assurance Framework is used by the Board to identify opportunities for increased effectiveness and added value.

The improvement work being undertaken by the Health Board in respect of its escalation status will help to strengthen the effectiveness of the Board, as well as embedding the new operational governance arrangements.

11.5.14 The purpose of the system of internal control

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

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively, and economically. The system of internal control has been in place for the year ended 31 March 2025 and up to the date of approval of the Annual Report and Accounts.

The Board is accountable for maintaining a sound system of internal control which supports the achievement of the organisation's objectives. The system of internal control is based on a framework of regular management information, administrative procedures including the segregation of duties and a system of delegation and accountability. It has been supported in this role by the work of the main committees, each of which provides regular reports to the Board, underpinned by a sub-committee structure, as shown in Our Governance Framework section of this statement.

11.5.15 Capacity to handle risk

The Board is responsible for the effective management of the organisation’s risks in pursuance of its aims and objectives. The Board collectively has responsibility and accountability for setting the organisation’s objectives, defining strategies to achieve those objectives, and establishing governance structures and processes to best manage the risks in accomplishing those objectives.

The Chief Executive, as accountable officer, has overall responsibility for ensuring that the Health Board has an effective risk management framework and system of internal control, however, executive directors have responsibility for the ownership and management of principal, corporate and operational risks within their portfolios.

The Health Board’s lead for risk is the Director of Corporate Governance/Board Secretary, who has responsibility for leading on the design, development, and implementation of the Board Assurance Framework (BAF) (view here: https://hduhb.nhs.wales/board-assurance-framework-pdf/) and Risk Management Framework (view here: https://hduhb.nhs.wales/risk-management-framework/).

11.5.16 Risk management framework

The risk management framework helps the Health Board understand, evaluate, and manage risks to increase success and reduce failure. It is part of the overall governance of the organisation and aims to improve decision-making and efficiency. It also provides assurance to stakeholders by reducing uncertainty and helping prioritise decisions for the best outcomes.

This framework outlines the foundation and organisational arrangements for risk management. It clarifies roles, responsibilities, communication, risk escalation, and reporting lines. It includes the risk strategy and protocols.

The framework uses the 'Three Lines of Defence' model:

1. First Line: Management control
2. Second Line: Risk control and compliance oversight
3. Third Line: Independent assurance

These three lines work together within the Health Board's governance framework.

Procedures, guidance, systems, and tools help management identify, assess, and manage risks daily. The Health Board's assurance and risk team support this with training, advice, and embedding a risk-aware culture.

In 2024/25, we conducted our annual risk maturity self-assessment following the Orange Book, a recognised public sector risk management standard.

The assessment covered seven key areas relating to risk management which were assessed using the following maturity matrix:

Level 1 Awareness and understanding	Level 2 Implementation planned and in progress	Level 3 Implementation in all key areas	Level 4 Embedding and improving	Level 5 Excellent capability established
• Partnerships	• Risk handling • People • Outcomes	• Leadership • Risk strategy and policies • Processes		

The self-assessment continued to demonstrate that leadership promotes risk management, and that the Health Board has a risk management framework in place, supported by a range of strategies, policies and processes.

This year, feedback was obtained from risk leads and themed risk subject matter experts across the organisation in order to better inform the assessment on whether staff are equipped and supported to manage risk well. Feedback demonstrated that, while staff are generally aware of the organisational objectives and its risk management strategies and policies, and felt appropriately supported by the assurance and risk team, it identified opportunities to further enhance risk awareness across the wider organisation, and that local induction arrangements relating to risk management could be strengthened. Further work is also required to develop and enhance the

role of risk management in its contribution to effective planning and target setting, and to better support the achievement of strategic and operational outcomes.

The assessment results will shape the revised Risk Management Strategy, which the Board will approve in September 2025. The current Risk Management Strategy, approved by Board in March 2024 can be read here: https://hduhb.nhs.wales/risk-management-strategy/. This strategy supports achieving strategic objectives and aligns with committee structures, the BAF, and the corporate risk register.

In 2024/25, the Health Board's new internal escalation framework improved risk management by focusing on how directorates manage risks in terms of scale, significance, timeliness, and quality. Risk reviews improved over the year, and only 11% of risks were reported to need a review at the end of the year. The new operational structure and governance arrangements will further enhance operational risk management.

Audit Wales reported in their structured assessment in 2024 that the Health Board has a sound corporate approach to managing risks, including its approach to overseeing its BAF, and an appropriate and up-to-date risk management framework in place.

11.5.17 Risk appetite

The Health Board's Risk Appetite Statement provides staff with guidance as to the boundaries on risk that are acceptable and provides clarification on the level of risk the Health Board is prepared to accept. It is integrated with the control culture of the organisation to encourage more informed risk taking at strategic level with more exercise of control at operational level, as well as recognition of the nature of the regulatory environment the organisation operates within.

During 2024/25, the Board reviewed and approved its Risk Appetite Statement, which describes the level of risk it is willing to tolerate according to the type of risk presented, and in line with its capability to manage risk.

The Health Board approved a revised approach to risk tolerance at its Board meeting in March 2025, and will become operational during 2025/26. The target risk score demonstrates the lowest level of risk exposure that the Health Board is willing tolerate, representing the ultimate level of risk achievable given available means and resource. Target risk scores should be quantified and aligned to performance targets where possible along with a set timescale for achieving the reduction of the current risk score to the target risk score.

The Health Board's capacity to manage risk continues to be impacted by financial and other resources. The aim is that this will support the further development of our roadmap to financial balance, while at the same time managing increasing demands on our services along with external challenges.

11.5.18 Risk management process

Our Risk Management Framework supports the Health Board's risk management process. This is a continuous process that should methodically address all the significant risks associated with all

the activities of the Health Board. All risks are assessed in terms of likelihood and impact using the Health Board's risk scoring matrix which helps to facilitate a level of consistency and understanding of the scoring and ranking of risks throughout the organisation.

Risks are identified in a bottom-up and top-down approach throughout the organisation. Each corporate and operational directorate must manage risks to meet their objectives, deliver safe services, and comply with standards. They must keep risks within the Board's agreed tolerance and escalate or de-escalate them as needed.

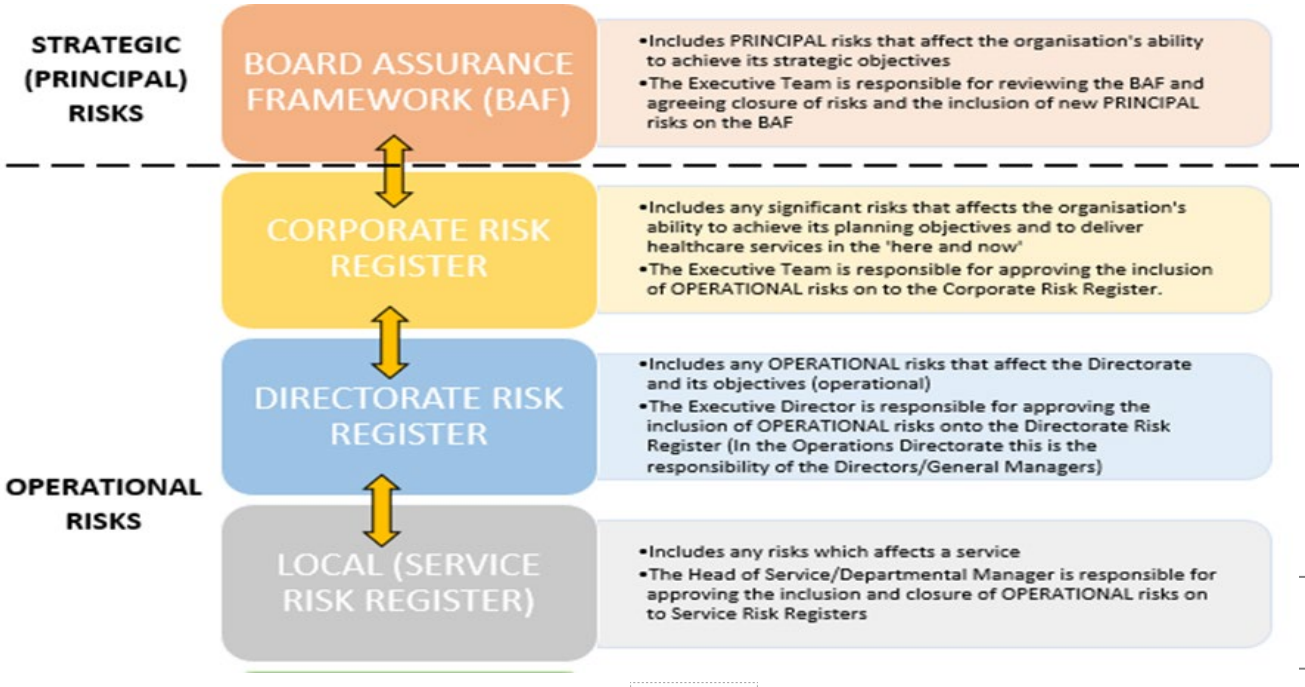
Communicating and consulting with internal and external stakeholders and partners is an important part of the risk management process. Many of our principal and corporate risks require us to work closely with partners to achieve our objectives and improve services for our population, as well as play an important role in helping us to address our risks. For instance, the new Joint Regional Committee with Swansea Bay University Health Board (Swansea UHB) will help us address some of our risks by working jointly to improve health and care for the joint population. For example, our risk related to the delivery of integrated community and acute unscheduled care services requires a whole system approach, and we have been working with our partners in Welsh Ambulance Services NHS Trust (WAST), local authorities and domiciliary providers to take forward work to try to improve flow within our hospitals.

Engagement of stakeholders has also taken place through multi-agency partnership working. The RPB, the Mid Wales Joint Committee for Health and Care and the Joint Regional Committee are part of the Health Board's governance structure that helps to support the management of risk facing the organisation through collective dialogue.

The Executive Team identifies principal risks that may affect strategic objectives. These risks are refreshed annually after the Annual Plan is approved and are part of the BAF to support the Health Board's strategy and provide ongoing assurance.

Executive directors also identify significant operational risks for the Corporate Risk Register (CRR). These risks can be new or emerging and are agreed upon for entry into the CRR.

The chart below details how the CRR interacts with the principal risks on the BAF and the operational risks that are on directorate and service risk registers.



11.5.19 Oversight and reporting of risk

In following the 'Three Lines of Defence' model described above, the Health Board ensures that operational managers are supported in their role of day-to-day risk management by specialist functions who have expertise and knowledge to help them control risk.

Corporate and operational risks that are above the Health Board's current agreed tolerance level, are aligned to its committees, whose role it is to provide assurance to the Board that risks are being managed appropriately. The approach to risk tolerance has been recently reviewed, along with its application of tolerance to ensure appropriate reporting to the Board's committees. These arrangements will take effect in 2025/26, with all operational risks being reported to the relevant committee which are either extreme or high scoring. The Executive Team review all corporate risks on a monthly basis and the principal risks on a quarterly basis.

11.5.20 Risk profile

The health and care system within Hywel Dda continues to face intense challenges, which are being felt across Wales, and across the NHS nationally. We are facing increasing system pressures, through an over reliance on hospital services which is compounded by an ageing population and a rise in long-term conditions.

For us as a Health Board, the drivers of these pressures typically fall into the categories of workforce availability (including social care), affordability and cost of living, inflationary pressures on public finances, an ageing estate, population health and need for health care. These issues manifest as backlogs and delays to care for patients, the inability to achieve ministerial priorities, excessive strain on staff, reduced system efficiency and unprecedented financial pressures. These are reflected in our most significant operational risks which are outlined in the CRR section later in this report.

The Health Board's long-term strategy 'A Healthier Mid and West Wales' (AHMWW) was established with the clear objective of placing people and communities at the heart of our healthcare model. The BAF section below outlines the principal risks and plans in place for achieving its objectives.

11.5.21 Board Assurance Framework (BAF)

Our BAF reflects the revised strategic and planning objectives and is presented to the Board three times a year. The most recent BAF report can be accessed here: https://hduhb.nhs.wales/board-assurance-framework-pdf/ and provides a link to our BAF dashboard. Audit Wales has identified the interactive BAF as a model of good practice. As well as identifying the principal risks to delivery of our objectives, the controls and assurances, the BAF also seeks to align outcomes against strategic objectives, and delivery against our planning objectives. The BAF will be updated in 2025/26 following the refresh of our 'A Healthier Mid and West Wales' strategy, and strategic objectives.

There are 15 principal risks that have been aligned to our six strategic objectives.

Total number of risks on BAF on 1 April 2024	16
New risks added during 2024/25	0
De-escalated/closed during 2024/25*	1
Total number of risks on BAF of 31 March 2025	15

* *Risk 1187* "*Strong enough reputation to attract partners to work with us" was closed, as it merged with risk 1188 "Effective leveraging within partnerships".*

The most significant risks to achieving our strategy are listed below:

- **Principal risk 1199 - achieving financial sustainability (risk score 25)**

Achieving financial balance over three years is a legal requirement for the Board and a clear expectation from the Welsh Government. While the Health Board has improved its operational planning and maturity, the underlying deficit remains a major concern. This deficit will affect future planning and move the Health Board further from the Welsh Government's financial targets.

The main causes of the deficit are well known, and we have detailed business intelligence to identify areas needing action. An internal escalation framework, working with the Improving Together programme, supports under-performing directorates to improve their financial plans and savings.

Throughout 2024/25, we have continued discussions with the Welsh Government to monitor and achieve a reduction in our monitoring status.

- **Principal risk 1196 - Insufficient investment in facilities / equipment / digital infrastructure (risk score 20)**

This risk reflects our challenge to invest in appropriate facilities, medical equipment and digital infrastructure to appropriate standards in order to provide safe, sustainable, accessible services. We have a programme group to oversee the production of our programme business cases (PBCs) to secure long term investment to support our health and care strategy. We are working with Welsh Government to refine the capital requirements that will be needed to address the significant risks that exist at present across the estates infrastructure, as a result of concerns around reinforced autoclave aerated concrete (RAAC), fire safety and business continuity in terms of viability.

Actions to manage and mitigate this risk includes progressing the business case process for implementation of 'A Healthier Mid and West Wales Strategy' and estates rationalisation, and progressing business continuity outline business cases to address major infrastructure backlog across our acute sites.

Further actions include the development of a primary care and community strategy, and progression and implementation of the digital strategic plan.

- **Principal risk 1192 - wrong value set for best health and well-being (risk score 16)**

This risk reflects that the Health Board may be seeing health and well-being purely through the healthcare services lens, using potentially narrow, and not the most appropriate measures, and not effectively engaging with individuals and communities.

We are still defining our approach to continuous engagement, our approach to tackling inequality/inequity, and our understanding of the social model of health and well-being and our arts in health, and what this means to our local population and communities. Well-being assessments are being updated by the PSBs however, we do not currently have an effective method of measuring the well-being of individuals, communities, and our population.

A number of planning objectives for 2024/25 which underpin the management and mitigation of this risk were prioritised. These include the development and implementation of public health plans which empower and enable people to live healthy lives through health improvement initiatives, and the development of a Board and Welsh Government approved financial roadmap.

- **Principal risk 1197 – implementing models of care that do not deliver our strategy (risk score 16)**

We have completed a clinical review as requested by Welsh Government, with a strategic outline case (SOC) in progress to support the implementation of our strategy: ‘A Healthier Mid and West Wales’. We are working with Welsh Government to scope out a strategic delivery programme.

Actions to address this risk include strengthening regional planning through the Mid Wales Joint Committee and the development of the Regional Joint Committee with Swansea Bay UHB, providing a set of plans for key clinical services to address critical sustainability risks up to the future hospital network, developing a primary care and community strategy, and implementing the digital strategic plan.

- **Principal risk 1198 - ability to support shifting of care in the community (risk score 16)**

Achieving our strategic objectives will depend on the ability to overcome complex and historical arrangements and systems. These will need be worked through to support a new approach to the delivery of care in line with our strategy, as well as a need to support the population in changing their behaviour and the way they have previously accessed services.

Actions to address this risk include the development of a primary care and community services strategy, and to develop and implement the transforming urgent and emergency care programme to deliver ministerial priorities by 2026.

- **Principal risk 1185 - Consistent and meaningful engagement through our workforce (risk score 16)**

Resources from the Engagement Team are focused on supporting the Clinical Services Plan and other service changes. It is recognised that a lack of resource will have an impact on the capacity of the engagement team to deliver continuous engagement expertise at a senior level and the operational capacity to deliver the full spectrum of engagement activities.

We are establishing an overarching programme of work for continuous engagement with a set of plans that make it easier for people to have conversations with us, ensuring our communities have a real influence on strategic direction.

- **Principal risk 1186 - attract, retain and develop staff with the right skills (risk score 15)**

Our most significant challenge is to maintain the right number of people to be able to deliver safe, effective and sustainable services. This is due to a number of factors, including geography, recognised national shortages in a number of professions, unappealing rotas and an ageing workforce that mirrors our population. Becoming an employer of choice and attracting people to work for Hywel Dda is therefore fundamental to the achievement of our workforce strategy, as is ensuring workforce planning and development identifies and supports the future capability we need.

Our plans to address this risk include achieving workforce sustainability through developing a workforce plan and delivering our targeted recruitment plan, retention plan and workforce education and development plan.

The heat map below presents our principal risks (by their internal reference number) in respect of their likelihood and impact as at the end of March 2025.

Hywel Dda Risk Heat Map					
	Likelihood →				
Impact ↓	**Rare**	**Unlikely**	**Possible**	**Likely**	**Almost Certain**
Catastrophic			1186		1199
Major 4		1184	1191	1197 1192 1198 1185	1196
Moderate 3		1200	1188 1189 1193 1195	1194	
Minor					
Negligible					

11.5.22 Corporate Risk Register (CRR)

The Health Board's CRR contains significant operational risks to the delivery of healthcare in the here and now and is reported to every other Board meeting. Each risk has been mapped to a Board level committee to provide assurance to the Board, through its update report, on the management of these risks.

During 2024/25, the CRR has been dynamic and responsive to new and emerging risks:

Total number of risks on CRR on 1 April 2024	23
New risks added during 2024/25	5
De-escalated/closed during 2024/25	7
Total number of risks on CRR of 31 March 2025	21

- **Risk of insufficiently skilled workforce to deliver services due to limited labour market (risk score 20)**

There is a scarce supply of healthcare professionals and a shrinking labour market, further exacerbated by the Health Board's current vacancy rates. Staffing levels (acute and community) continue to operate below established levels due to both vacancies and sickness/absence which is supplemented by additional hours, bank and agency. Further work has been undertaken to understand the level of risk across each staffing group (nursing, medical, allied health professionals and health care support workers.

Actions to mitigate the risk are being taken through stabilisation, Improving Together and workforce planning, to realign available workforce to new service design and models of care.

- **Risk to the delivery of timely urgent and emergency care due to demand exceeding current capacity across acute, primary care (including out of hours), community and social care services (risk score 20)**

Levels of urgent and emergency pathway capacity pressures continue at significantly escalated levels. Positive progress has been achieved in reducing ambulance handover delays and pathways of care delays during 2024/25, however Glangwili Hospital (GGH) remains a major pressure in the urgent and emergency care (UEC) system. Key performance indicators such as handover delays, 4 and 12 hour performance, bed occupancy rates, and significant pressures on wider community and social care capacity demonstrate a lack of sustainable improvement, and remain outside target requirements.

Actions to mitigate the risk include monitoring and delivery of six goals for urgent and emergency care programme and plan, and closer working with the Welsh Ambulance Services NHS Trust (WAST) and colleagues across primary care.

- **Risk to ophthalmology service delivery due to a national shortage of consultant ophthalmologists and the inability to recruit (risk score 20)**

Recruitment challenges, a lack of physical space, and the absence of effective clinical and administrative systems are impacting on our ability to deliver a sustainable ophthalmology service. Increased demand and reduced capacity continue to be a challenge for the service, with the fragility of the service highlighted in its inclusion within our Clinical Services Plan.

Actions already undertaken to manage this risk include regional collaboration with SBUHB to strengthen pathways, and short-term funding obtained in order to reduce waiting lists. Active

recruitment to vacancies is ongoing, including grow your own initiatives to both secure substantive consultants, and to develop consultants for the future.

Further actions to mitigate this risk include exploring regional solutions to workforce gaps and estates, the implementation of virtual review clinical for patients undergoing specific treatments, alignment in the Delivery of Eye Care Measures and Ministerial Measures, and management of ophthalmology waiting lists through the Regional Eye Care Programme. The implementation of a national electronic patient record for ophthalmology is unlikely to occur prior to 2027. Further funding may be required from the Health Board and SBUHB to implement this model.

- **Risk of timely diagnosis and treatment to mental health and learning disabilities clients due to demand and capacity (risk score 20)**

This risk reflects the length of time mental health and learning disabilities services (MHLD) clients, specifically autism spectrum disorder (ASD) and attention deficit hyperactivity disorder (ADHD) clients, are waiting for timely assessment and diagnosis, and its impact on our ability to meet ministerial targets. This is caused by increasing referral rates, with demand outstripping capacity and lack of sustainable external funding.

Welsh Government provided additional funding to Health Boards and RPBs during 2024/25 to reduce waiting lists and to provide support for children and families who remain waiting for their assessment. The Health Board's funding allocation of £312k to help address the three years and over waits for diagnostic assessments in children and young people by March 2025 enabled the procurement of 182 diagnostic assessments with our current provider. An additional 100 diagnostic assessments were funded through Health Board slippage, whilst the RPB helped to fund the outsourcing of support services for children, young people and families who are currently on the waiting list, targeting longest waits.

In March 2025, the Board supported plans to pilot a rapid assessment to diagnosis pathway, develop digital options to improve effectiveness and work with partners to develop further actions to enable 'needs-led' approaches.

- **Risk to the ability to deliver ultrasound services due to workforce pressures (risk score 20)**

The ability to deliver a sustainable ultrasound service across the Health Board remains challenging as a result of national shortages of sonographers, recruitment challenges, and demand exceeding current capacity.

A review of demand and capacity undertaken during 2024/25 has informed the radiology directorate's annual plan for 2025/26. The plan sets out a three-year strategy to stabilise and transform radiology services, ensuring that performance standards, notably the single cancer pathway (SCP) and 8 week diagnostic access, are achieved and sustainably maintained.

- **Risk of harm to staff, patients public and critical assets due to insufficient physical security measures and systems (risk score 16)**

This information has been withheld and discussed at Health and Safety In-Committee.

- **Risk of business disruption and delays in patient care due to a cyber-attack (risk score 16)**

There are daily threats to systems which are managed by Digital Health Care Wales (DHCW) and the Health Board, with cyber-attacks becoming more prevalent.

Our Cyber Security Assurance Group provides assurance around cyber security remediation and to mitigate the cyber security risk, with software used across the organisation to ensure that the threat of a cyber-attack is reduced, and service business continuity plans in place. Regular monitoring of the cyber security position is undertaken via the Sustainable Resources Committee.

- **Risk of increasing fragility in primary care contractor services due to external factors (risk score 16)**

Contract reform against the background of significant pressures on the wider system and financial pressures for the independent contractor business model continue to have a detrimental effect on patients gaining timely access to local primary care services. Further challenges exist in relation to premises not being fit for purpose, and not having the capacity to flex to a more modern approach to service delivery.

A number of general medical services (GMS) and dental contracts have been returned to the Health Board during 2024/25, with other practices signalling they will return contracts once reform negotiations have concluded.

The reduction of this risk is subject to the development and agreement of a primary care and community strategic plan, alongside successful national contract negotiations and subsequent implementation across the primary care contractor professional groups.

- **Risk of not meeting the 75% Single Cancer Pathway (SCP) target for 2022 - 2026 due to diagnostics capacity and delays at tertiary centre (risk score 16)**

There is reduced capacity to meet the expected demand for diagnostics, treatment delays at our tertiary centre, and service fragility for key tumour sites.

Despite the improvement in performance during 2024/25, national targets are still not being achieved due to factors such as the legacy impact of radiology reporting delays, and workforce pressures, including the inability to secure locum cover.

Plans are in place to increase diagnostic capacity, utilising allocated recovery funding, including recovery plans for progressing additional CT scans. Our radiology service is working with cancer services and the National Health Service Executive (NHSE) to improve productivity and efficiency processes.

- **Risk of not being able to safely deliver services due to ageing estate and infrastructure across the Health Board (risk score 15)**

We are operating within an ageing estate infrastructure, some of which is beyond its life expectancy, impacting on our ability to deliver care in line with expected standards. This is exacerbated by the limited availability of capital funding to address concerns, with reliance on revenue funding to address emerging issues whilst attempts continue to address the significant backlog.

A programme business case has been developed to modernise the estate. NHS Wales Shared Services Partnership (NWSSP) has supported a three year investment programme for major infrastructure, with Welsh Government support funding obtained for the first of a three year plan in 2024/25 together with a small number of priority schemes.

- **Risk to the timely investment and replacement of radiology equipment and supporting infrastructure (risk score 16)**

There is a continued risk to the delivery of radiology services due to ageing equipment and its supporting infrastructure, resulting in delays in patient diagnosis and treatment, negatively impacting on cancer pathways.

The National Imaging and Capital Priorities Group supports a nationally sustainable and clinically focused capital equipment programme which will allow for timely equipment procurement and delivery to support healthcare demands. In addition, an equipment replacement programme is in place which is profiled by risk and usage, and service maintenance contracts are in place and reviewed regularly.

- **Risk to delivering effective and timely cancer service due to aseptic unit facilities being non-compliant with Quality Assurance of Aseptic Preparation Services (QAAPS) (risk score 15)**

Ageing equipment and facilities at our sole aseptic unit within the Health Board gives rise to the risk of non-compliance with regulatory standards. Outsourcing of cancer treatments from third party suppliers at a significant cost to the Health Board may become our only option should the unit be closed prior to the development of a regional hub for cancer treatment preparation in south west Wales. The Transforming Access to Medicines (TrAMS) hub was originally estimated to open during 2028, however there have been delays to the project plan, and the opening date is currently unknown.

Current controls in place to mitigate this risk include the procurement of new pharmaceutical isolators, the transferring of the radio pharmacy service to Singleton Hospital, and stringent standard operating procedures (SOPs) in place to minimise the risk of contamination and errors. A revised business justification case for demountable unit has been submitted to Welsh Government for scrutiny following approval at the Board meeting in January 2025.

- **Risk of failure to fully comply with the requirements of the Regulatory Reform (Fire Safety) Order 2005 due to ageing infrastructure (risk score 15)**

Phased fire safety improvement works continue across the Health Board, with significant investments being made to address the recommendations as raised in Letters of Fire Safety Matters (LOFSM) and Enforcement Notices (ENs) previously issued by the Mid and West Wales Fire and Rescue Service (MWWFRS). All programme dates have been agreed with the Health Board, Welsh Government and MWWFRS senior inspecting officers.

Work continues to address the physical backlog, however, despite significant investments already in place, additional funding is required to address fire safety defects at all sites within the organisation to ensure full compliance with the order.

Actions being taken to further mitigate this risk includes the introduction of an interactive e-learning course for our staff, and the development of a training needs analysis.

- **Risk of being unable to safely support consultant on-call rotas at two hospital sites due to workforce pressures (risk score 15)**

This risk highlights the continued fragility of the general surgery consultant rota, particularly in relation to upper gastrointestinal. The service is included within our Clinical Services Plan to provide a safe and sustainable emergency general surgery service to patients in the south of the Health Board area.

Recommendations as raised in the Getting It Right First Time (GIRFT) report on general surgery are informing the longer-term sustainability of the on-call rota across the Health Board, the effectiveness of which depend on several factors including availability of a labour market.

- **Risk of poor patient outcomes and experience due to the inability to effectively recognise and manage acute deterioration (risk score 15)**

This risk reflects the Health Board's inability to effectively recognise and manage acute deterioration which could detrimentally affect patient outcomes and experience.

Controls in place to manage this risk include the Health Board’s Recognition of Acute Deterioration and Resuscitation (RADAR) Group, and task and finish groups at specific sites where there are any significant concerns in order to address non-compliance with process and identified training gaps. The Health Board is also a member of the National Safe Care Collaborative.

Actions identified to further manage and mitigate this risk include the development of an audit tool to monitor compliance with required processes, collaborative working on a national level via the Safe Care Partnership, and the development of e-learning modules in conjunction with NHS Executive regarding sepsis, DNACPR and National Early Warning System (NEWS).

- **Risk of serious harm to staff due to violence and aggression in the workplace (risk score 15)**

Staff are at threat on a regular basis of serious harm due to assault. We have a violence and aggression risk assessment process, violent patient warning marker procedure and lone working policy to provide support and protection to our staff.

The Health Board’s Health and Safety Committee regularly receive reports on security arrangements, along with incidents data.

The heat map below presents the Health Board's corporate risks (by their internal reference number) in respect of their likelihood and impact as at the end of March 2025:

Hywel Dda Risk Heat Map					
	LIKELIHOOD →				
Impact ↓	**Rare 1**	**Unlikely 2**	**Possible 3**	**Likely 4**	**Almost Certain 5**
Catastrophic 5		1843	1531 1745 813 1810 1859	1027	
Major 4			2000 1433	1978 1664 1861 684 1350 1352 1708	797 1032
Moderate 3				1821 1842	1860
Minor 2					
Negligible 1					

Further information on corporate risks in 2024/25 can be found in our Board papers, as follows:

- Read the Corporate Risk Register Report at May 2024 Board meeting in public here
- Read the Corporate Risk Register Report at September 2024 Board meeting in public here
- Read the Corporate Risk Register Report at January 2025 Board meeting in public here

5.23 Emergency preparedness/civil contingencies

The Health Board had well established and tested emergency plans and business continuity arrangements in place during the financial year 2024/25, in accordance with the statutory duties under the Civil Contingencies Act 2004 and Emergency Planning Guidance issued by the Welsh Government. An annual Emergency Preparedness, Resilience and Response Report, signed by our Chief Executive, was submitted to the NHS Executive in July 2024 detailing compliance, together with the latest version of the Health Board's Major Incident Plan which was last ratified by the Board in July 2024.

11.5.24 The control framework

- **Performance management arrangements**

The Improving Together Framework sets out the Health Board's approach to embedding performance improvement through our governance. The framework is enabled by data at every

level to support decision making and to drive service change with the ultimate aim of improving outcomes for our patients, staff, visitors and those living within Hywel Dda. Its successful implementation is helping us to focus on what is important to the Health Board and enable us to provide efficient and effective services. The framework outlines performance improvement arrangements at each level in the organisation.

- At the most strategic level, the Board Assurance Framework (BAF) and Integrated Performance Assurance Report (IPAR) provide Board, Committees and the Executive Team with data and evidence to help us understand whether we are achieving and working towards the ministerial and local ambitions.
- We have established Directorate Improving Together Sessions to ensure that each directorate (operational and corporate) across the Health Board is making progress towards their key priorities and support is provided to help unblock issues where needed.
- Teams, wards and services across the Health Board are required to set their team vision, identify key improvement measures, hold regular improvement focused meetings, find ways to solve problems they face and share good practice with others.

In response to the Health Board being placed in Targeted Intervention early 2024, the Executive Team introduced an escalation framework in April 2024. This focused around six key domains for improvement: quality and safety, governance, workforce, finance, planning, strategy and fragile services, and performance and outcomes, with directorates assigned one of the following escalation levels for each of the 6 improvement domains:

- Level 1: Reasonable assurance that the directorate can meet prescribed targets in a given domain within the year
- Level 2: Limited assurance that the directorate can meet prescribed targets in a given domain within the year
- Level 3: No assurance that the directorate can meet prescribed targets in a given domain within the year or insufficient engagement with Targeted Intervention objectives

The escalation framework has had a positive impact in a number of areas such a reduction in the average time taken to investigate incidents/complaints, more timely updates of risks and risk/audit/inspection actions, and an increase in staff appraisal compliance.

In March 2025, the Improving Together Framework and the escalation framework were combined into a new ‘Our Improving Together Framework’ which accommodates the new Clinical Care Group structure (see section 11.5.11). The new framework has introduced an additional improvement domain relating to population health. An extra escalation level has also been added:

- Level 4: No assurance and insufficient actions - the Executive lead for the escalated function and Domain Lead will attend a one-off Recovery Meeting with the Chief Executive Officer to determine next steps.

- **Quality governance arrangements**

Providing high quality care is an inherently complex and fragile process, which needs to be underpinned by robust quality governance arrangements. A key purpose of these quality

governance arrangements, and our mechanisms to ensure we meet our duty of quality, is to monitor and, where necessary, improve standards of care.

Our Quality Management System (QMS) Strategic Framework was approved by our Board on 30 March 2023. This is our overarching formalised system that helps us achieve continuous improvement across the organisation. The QMS is supported in its delivery through several different mechanisms, some of which are described below. Further detail will be provided in our Annual Quality Report, our Putting Things Right Annual Report and our Duty of Candour Annual Report on our website at: https://hduhb.nhs.wales/quality-and-engagement-act/.

- **Quality, Safety and Experience Committee (QSEC)**

Quality governance is led by the Executive Director of Nursing, Quality and Patient Experience. Our QSEC provides timely evidence-based advice to the Board to assist it in discharging its functions and meeting its responsibilities with regards to quality and safety, as well as providing assurance in relation to improving the experience of all those that come into contact with our services. Reports presented to QSEC in 2024/25 are available on our website at: https://hduhb.nhs.wales/quality-safety-and-experience-committee-qsec/.

QSEC receive a regular assurance report which provides an overview of quality and safety across the organisation. The Health Board uses several assurance processes and quality improvement strategies to ensure high quality care is delivered to patients. The report provides information on improvement work linked to themes within patient safety incident reporting, externally reported patient safety incidents, mortality reviews, and external inspections, for example Healthcare Inspectorate Wales (HIW).

QSEC is supported by two sub-committees:

- The Quality, Safety and Experience Sub-Committee (QSESC), which is responsible for monitoring the acute, mental health and learning disabilities services, primary and community services quality and safety governance arrangements at an operational level.
- The Listening and Learning Sub-Committee provides clinical teams across the Health Board with a forum to share and scrutinise learning from concerns, and to share innovation and good practice. The learning may arise from a complaint, an incident, a claim, a patient story or experience feedback, external inspection and peer reviews.

- **Quality governance arrangements within our directorates**

During the year, our directorates have continued to strengthen the quality governance arrangements within their areas. Each directorate uses a standard terms of reference and agenda to ensure that all quality governance areas are considered. The directorates have provided regular reports on their activity to the Quality, Safety and Experience Sub-Committee.

With the introduction of a new Clinical Care Group structure in 2025/26, tools and processes have been developed to support the quality and governance arrangements. This includes:

- model terms of reference, which outline the responsibilities around performance management, risk assessment, and quality improvement;
- standard agendas, which provide a clear template for meetings to ensure consistent coverage of essential topics;

- action note templates. These standardised tools will minimise variability between Clinical Care Groups and encourage a shared organisational culture where transparency and accountability are the norm.

- **Quality and safety intelligence meetings and quality panels**

The Executive Director of Nursing, Quality and Patient Experience, the Interim Executive Medical Director, and the Executive Director of Allied Health Professions and Health Sciences (the clinical executive directors) hold quality and safety intelligence meetings. The Quality, Safety and Intelligence Sub-Group ensures that the clinical executive directors are aware of, and have the opportunity, to review quality and safety intelligence data and discuss any patient safety related or other significant issues which have the potential to impact on quality and patient safety. The review of data is linked to the established escalation arrangements to improve the effectiveness of operational services, and ultimately the quality and safety of care.

- **Ensuring we consider quality when making strategic decisions**

During 2024/25, we introduced a new process to ensure we can demonstrate consideration of quality when making strategic decisions. A quality impact assessment was developed and a wrap-around governance process. The quality impact assessment uses the healthcare quality standards, and each domain is considered through a risk and mitigation lens. The quality impact assessment panel, which is comprised of the Executive Director of Nursing, Quality and Patient Experience, the Executive Director of Allied Health Professions and Health Science, the Executive Medical Director, with other clinicians and experts, receive each quality impact assessment before the proposed strategic change is considered by the Board for approval.

During the year, more than 40 quality impact assessments were presented to the panel for consideration. The assessments ranged from recruitment decisions to decisions relating to the Clinical Service Plan and changes to service delivery. This new process ensures that we consider each strategic decision and change through a quality lens.

- **Safety dashboard**

Our safety dashboard has continued to develop over 2024/25 to help identify potential patient safety issues. Operational leaders and managers continue to use it to identify safety hotspots needing further investigation/action, triangulate data at an operational level, facilitate further discussion or escalation, support deep dives, benchmark against our services to help identify outliers and inform report and papers. The dashboard has been used to inform discussions at our QSEC meetings, executive team meetings and the Improving Together sessions.

- **Healthcare Inspectorate Wales (HIW)**

The Board is provided with independent and objective assurance on the quality, safety and effectiveness of the services it delivers through reviews undertaken by and reported on by HIW. The outcomes of any such reviews and any emanating improvement plans are discussed with any lessons learned shared throughout the Health Board.

During 2024/25, HIW published three reports following assurance and inspection work in our Health Board. The work involved a variety of off-site checks and on-site work. There was one

ionising radiation inspection, no reviews in an acute hospital setting, and two review in a mental health and learning disability service.

Improvement and learning actions plans are implemented following each assurance and inspection HIW visit. Delivery of the action plans are monitored through directorate quality and governance arrangements, through QSESC, QSEC and the Audit and Risk Assurance Committee. The themes arising from HIW visits are also reported to the Listening and Learning Sub Committee and also QSEC. A HIW SharePoint site has been developed to ensure that the themes arising are readily available across the organisation. The Health Board has also strengthened its relationship with HIW through regular meetings with its HIW engagement partner.

- **Clinical audit**

The Clinical Audit Programme for 2024/25 saw a reduction in the number of local audits in favour of national projects. This reflects a more standardised approach to clinical audit projects and will allow for benchmarking practice across Wales and England. Re-audits continue to be carried out in the Health Board, demonstrating a commitment to long-term improvements and sustained levels of assurance. New audits are still being developed where service areas are identifying a particular shortfall or are seeking assurance that service changes are meeting professional guidelines.

Most national clinical audits and outcome reviews are in progress in the Health Board, with any areas of concern being investigated and supported by the Clinical Audit Scrutiny Panel, as well as the Clinical Director for Clinical Audit. The Clinical Audit Department is working with the services involved to drive increased participation and improvements and examples of this have been achieved in 2024/25. New methodologies and reporting structures are currently being piloted to ensure that the value of clinical audit projects are fully recognised.

The Clinical Audit Department is now implementing the audit management and tracking software (AMAT). The system has over 1700 users and is continuing to expand. All projects are now captured by this system, greatly increasing transparency and accountability. Improvement activity is also monitored through this system and the full audit cycle is being captured. AMAT as a data collection platform is continuing to be utilised and this feature will be expanded over the coming months to include many more audit projects covering the whole of the Health Board.

The Clinical Audit Department has continued with the programme for whole hospital audit meetings which includes two annual whole Health Board meetings. These are chaired by the Clinical Director for Clinical Audit and focus primarily on the mandatory national audits outlined by the Welsh Government, as well as appropriate local projects that have a wide-reaching impact. Whilst these forums only capture a small number of audit projects there are many more audit forums where audit projects can be presented. The Clinical Audit Department are also involved with other events to support the use of clinical audit as part of other initiatives such as quality improvement and clinical effectiveness workstreams.

- **Information governance (IG) arrangements**

HDUHB have well-established arrangements through an information governance framework to ensure that information is managed in line with relevant information governance law, regulations, and Information Commissioner's Office (ICO) guidance. The framework includes the following:

- An Information Governance Sub Committee (IGSC) to support and drive the information governance (IG) and cyber security agenda and provide the Health Board with the assurance that effective IG and cyber security best practice procedures are in place within the organisation
- A Caldicott Guardian who is the responsible person for protecting the confidentiality of patient and service-user information and enabling appropriate information sharing
- A Senior Information Risk Owner (SIRO) who is responsible for setting up an accountability framework within the organisation to achieve a consistent and comprehensive approach to information risk assessment
- A Data Protection Officer (DPO) whose role it is to ensure the Health Board is compliant with data protection legislation
- Information Asset Owners (IAOs) are in place for all service areas and information assets held by the Health Board. They have been assisting the IG team in a programme of compiling a full asset register for the Health Board, where all information asset registers have been now drafted
- The Information Asset Owners Group, Caldicott Guardian Group and Cyber Security Assurance Group have been established and meet regularly throughout the year to support the IGSC.

We have responsibilities in relation to freedom of information, data protection, subject access requests and the appropriate processing and sharing of personal identifiable information. Assurances that the organisation has compliant IG practices are evidenced by:

- quarterly reports to the IGSC, including key performance indicators
- a detailed operational IG compliance work plan, taken to IGSC quarterly, detailing progress made against actions required to ensure compliance with data protection legislation
- a suite of IG and information security policies, procedures and guidance documents
- IG intranet pages for Health Board staff for guidance and awareness
- a comprehensive bi-annual mandatory IG training programme for all staff, including proactive targeting of any staff non-compliant with their IG training
- a robust management of all reported personal data breaches, including proactive reporting to the ICO
- regular monitoring of the Health Board's systems for inappropriate accesses to patients' personal data through the National Intelligent Integrated Audit Solution (NIIAS) platform
- an Information Asset Register (IAR) used to manage information across the Health Board, and
- escalating all IG issues through the Sustainable Resources Committee. The Committee papers can be viewed here: https://hduhb.nhs.wales/sustainable-resources-committee-src/.

NIIAS, which audits staff access to patient records, has been fully implemented within the organisation, with an associated training programme for staff and procedures for managing any inappropriate access to records. In addition to the above training, there are regular staff communications, group training sessions, as well as IG drop-in sessions held across the Health Board. Posters, leaflets and staff briefings have all been used to disseminate information to staff around the importance of confidentiality, appropriate access to patient records and ensuring information is shared in an appropriate way.

During 2024/25, the IG team carried out audits across Health Board sites including Glangwili, Withybush, Bronglais and Prince Philip hospitals. The purpose of the audit has been to identify any information governance, information security and patient confidentiality risks to seek assurance that the relevant procedures and protocols in relation to information governance have been adhered to and that actions are being taken to protect data and assets held. Following the information audits, reports were issued with recommendations.

As a Health Board we have undertaken a full review of our position against the Welsh Information Governance Toolkit and the assessment has demonstrated a very good level of assurance of information governance risks.

Over the past 12 months, the Health Board has maintained a compliance rate of 77.92% with information governance, records management and cyber security training. We continue to reinforce awareness of key principles of data protection legislation. This includes the overarching principle that users must only handle data in accordance with people's data protection rights.

11.5.25 Planning arrangements

We remain committed to the principles of our 'A Healthier Mid and West Wales' strategy while recognising that deeper structural changes are needed to secure sustainable services for our population. The strategy marked a deliberate shift from a hospital-based model to one that emphasises wellness, prevention and care provided closer to home. While the original vision remains valid, the passage of time, delays in capital investment, and the substantial impacts of the recent COVID-19 pandemic necessitate a considered review of our route to realising these aspirations. In 2025/26, the Board will undertake a thoughtful and necessary refresh of the strategy which will reaffirm our commitment to building healthier communities and better health outcomes across mid and west Wales.

As a Health Board we have a statutory duty to develop a three-year Integrated Medium Term Plan (IMTP) to deliver care and support the health of our population within the resource envelope provided by the Welsh Government. Since its formation, the Health Board has regrettably never been able to submit an IMTP, primarily due to our inability to breakeven. This is a breach of our statutory duty and therefore an unacceptable position for ourselves and the Welsh Government.

Following agreement at the January 2024 Board meeting, the Health Board wrote to the Welsh Government on 16 February 2024, to provide formal notification through an accountability letter that unfortunately the Health Board would not be in a position to submit a financially balanced IMTP by the end of March 2024. Instead, we would produce an Annual Plan for 2024/25.

The plan was our initial step towards realising these aspirations, describing the key objectives and deliverables for the next 12 months and laying the foundations for further progress beyond that. It was however acknowledged that the in-year financial deficit remained unacceptable, and further work would be required during the year, with clear progress expected in the first quarter.

The plan for 2024/25 was intentionally more focused on a smaller set of objectives (termed the planning objectives (POs)) and on delivery over the shorter term. Consequently, our plan prioritised POs aligned to the Welsh Government Planning Framework, the Ministerial Priorities

and the key programmes of work required to address the significant risks identified above. The plan was submitted to the Welsh Government in March 2024.

Although progress has been made in controlling variable pay and meeting targeted savings schemes, the Health Board still carries a substantial financial deficit, preventing it from submitting a fully approved three-year IMTP. Alongside improvement performance, the Health Board is expected to demonstrate credible progress toward financial balance by 2027/28, including working to a £31.55m control total for 2025/26.

Navigating these cost pressures means prioritising investments in areas that will generate the strongest returns, from digital prescribing systems that reduce medication errors to reconfigured community hospitals that unlock capacity in busy acute sites. The Board's longer term route map to financial recovery also underscores the need for ongoing service change, particularly around consolidating acute services where necessary and channelling more resources into prevention and community-based pathways, which can lower recurrent hospital costs over time.

The decision to frame the 2025/26 Annual Plan within a three-year horizon reflects the reality that quick operational improvements need to be backed up by deeper, structural change. While the Board's immediate goals such as clearing 52 week outpatient waits, improving urgent care handovers, and moving closer to 80% on the single cancer pathway are challenging on their own, they form part of a roadmap designed to bring lasting gains to patients and staff.

Much hinges on integrating plans across different domains: workforce, finances, clinical models, and digital transformation. By ensuring each improvement links up coherently rather than creating isolated, short-lived fixes the Board aims to sustain the gains of Year 1 TI, deal head-on with the remaining bottlenecks, and embed the type of best practice that will see Hywel Dda leave TI in a stronger position. Ultimately, demonstrating consistent improvements over the next 12 months will be central to building trust with communities, Welsh Government, and staff that the Health Board is truly on a path to long term success.

Despite our Annual Plan for 2025/26 meeting the target control total of £31.5m, the underlying financial trajectory indicates a deterioration from the forecast £24m deficit in 2024/25 to a similar or worse position in 2025/26. Moreover, several strategic objective milestones are not fully delivered in the current submission. Taken together, these factors signal that the plan's financial assumptions require further strengthening and de-risking to secure a sustainable improvement trajectory towards in year balance by 2027/28.

Accordingly, the Health Board is required to:

- revise and de-risk the recurrent savings programme to exceed the 2024/25 control total and reverse the projected financial deterioration in 2025/26;
- produce an options appraisal for each outstanding strategic objective target, setting out the impact, resource implications and implementation timelines;
- establish a clear, milestone driven road map, with assigned accountabilities, to achieve in year financial balance by 2027/28.

11.5.26 Disclosure statements

- **Corporate Governance Code**

Corporate governance is, in simple terms, the way in which organisations are directed, controlled and led. Good corporate governance is fundamental to an effective and well-managed organisation. The UK Corporate Governance Code (2017) is the primary reference and overview of good practice for corporate governance in central government departments.

While there is no requirement to comply with all elements of the Corporate Governance Code for Central Government Departments (2017), an assessment was undertaken in March 2025 against the main principles as they relate to an NHS public sector organisation in Wales. This assessment was informed by the Audit Wales structured assessment in 2024. We are satisfied that we are complying with the Code's main principles and are conducting our business in an open and transparent manner in line with the Code. There were no reported or identified departures from the Corporate Governance Code during the year.

- **Fire safety**

The Health Board was issued with two new enforcement notices by Mid and West Wales Fire and Rescue Service (MWWFRS) during 2024/25, however on a positive note, two enforcement notices were closed, and we continue to address the two outstanding enforcement notices. One relates to the completion of Phase 2 works at Glangwili Hospital with a completion date of December 2027 proposed by the Health Board to MWWFRS and agreed in principle. The other enforcement notice relates to the completion of Phase 2 works at Withybush Hospital, which has a proposed completion date of August 2027, agreed in principle between the Health Board and MWWFRS.

Extensive fire safety improvement works continue to be undertaken at Withybush, Glangwili and Bronglais hospitals with Welsh Government funding, with regular progress updates reported to the Health and Safety Committee, which provides assurance to the Board on the work undertaken towards improving compliance.

- **Equality, diversity, and inclusion**

We are committed to putting people at the centre of everything we do. This means thinking about people as individuals and taking a person-centred approach, so that everyone is treated fairly, with integrity, dignity and respect, whatever their background and beliefs. Our vision is to create an accessible and inclusive organisational culture and environment for everyone. This includes staff, those who receive care (including their families and carers), as well as partners who work with us, whether these are statutory organisations, third sector partners or communities.

Control measures are in place to ensure that our obligations under equality and human rights legislation are complied with, and include:

- Board and committee papers requiring a decision need to be accompanied by an Equality Impact Assessment (EqIA) which demonstrates due regard and ensures informed decision making;
- an EqIA training programme is available for all staff which supports them to enhance their knowledge and skills to support service and policy developments and changes;

- equality and human rights e-learning is mandatory and, as part of the corporate induction all staff can access training delivered by the diversity and inclusion team to enhance the e-learning content;
- a Strategic Equality Plan annual report is published annually, alongside a workforce equality report and pay gap reports focusing on gender, ethnicity and disability.

- **Equality objectives**

Details of our Strategic Equality Plan, objectives and progress outlined in the annual reports are available to read here.

Key highlights for 2024/25 include:

- 57 equality, diversity and inclusion (EDI) training sessions have been offered to staff on a range of topics. These have included formal training delivered by external training providers, webinars and in-house training delivered by Health Board staff. Training sessions included anti-racism for practitioners, active bystander, trans awareness and disability awareness
- The Diversity and Inclusion Team worked with the people development team to deliver training programmes with a focus on inclusive leadership to new and aspiring leaders. The aim of these modules is to equip staff in leadership roles with the skills and knowledge to implement best practice and demonstrate respectful and non-discriminative values
- We remain committed to conducting appropriate equality impact assessments to support good governance and decision making and this work is closely linked with our commitment towards continuous engagement. We have developed additional resources to support the completion of EqIA's including guidance documents and an information video. 222 equality impact assessments have been undertaken during 2024/25
- We produced a short information video to highlight some of the key achievements included in our 2023/24 Strategic Equality Plan Annual Report to our staff and wider public and members of our communities
- As mentioned earlier in section 11.5.12 Board development, the Health Board has established an independent member-led equality, diversity and inclusion taskforce to drive a set of actions to improve equity across the Health Board
- To strengthen diversity on the Board, we have engaged in HEIW's national programme for aspiring Independent Members from racially minoritised communities to strengthen diversity on the Board

- **NHS Pension Scheme**

As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employer obligations contained within the scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments into the scheme are in accordance with the scheme rules, and that member pension scheme records are accurately updated in accordance with the timescales detailed in the regulations. The Health Board confirms that it acts strictly in compliance with the regulations and instructions laid down by the NHS Pension Scheme and that control measures are in place about all employer obligations. This includes the deduction from salary for employees, employer contributions and the payment of monies. Records are accurately updated both by local

submission (Pensions Online) and from the interface with the Electronic Staff Record (ESR). Any error records reported by the NHS Pension Scheme which arise are dealt with in a timely manner in accordance with data cleanse requirements.

- **Carbon reduction delivery plans**

We have undertaken risk assessments and carbon reduction delivery plans to demonstrate compliance with the requirements of the emergency preparedness and civil contingency elements of the UK Climate Impacts Programme (UKCIP) 2009 weather projections to ensure that the organisation's obligation under the Climate Change Act and the Adaptation Reporting.

From a climate change viewpoint, we recognise the impact of climate change in the work we do around severe weather planning and highlight this within the Dyfed Powys Local Resilience Forum (LRF) severe weather arrangements. These arrangements cover four elements: flooding, severe winter weather, heatwave, and drought. The arrangements cover elements such as risk, alerting mechanisms, multi-agency command and control structures, warning and informing and training/exercising.

- **Data security**

We have adopted and implemented a robust procedure for managing personal data breaches across the organisation, that ensures incidents are reported in line with statutory requirements and lessons are learnt to improve future practice. We have had contact with the Information Commissioner's Office (ICO) in relation to four incidents during the year (self-reported by the Health Board). Incidents involved:

  - access to medical records by unauthorised individuals;
  - information disclosed in error.

All four incidents have been closed by the ICO.

Additionally, the cyber security team continues to provide security architecture advice, ensuring designs follow security best practice and follow the requirements of the Network and Information Systems Regulations (NISR). The cyber security team has also made progress with the tools and capabilities available to Hywel Dda. NISR is designed to protect critical national infrastructure against cyber-attacks. This regulation applies to all parts of the UK and EU and came into force in May 2018, alongside the UK GDPR/Data Protection Act. As part of NHS Wales, the Health Board is an operator of essential services and has a legal obligation to comply with NISR.

- **Quality of data**

We are committed to ensuring the quality and robustness of our data through regular checks that assure the accuracy of the information we rely on. Due to the multiplicity of systems and data sources across the organisation, there is always potential for variations in quality and scope for improvement. We have an ongoing data quality improvement plan that routinely assesses, and puts in place measures which will improve, the quality of our data across key clinical systems.

High quality clinically coded data plays a fundamental role in the management of hospitals and services. Coded data underpins much of the day-to-day management information used within the NHS and supports healthcare planning, resource allocation, cost analysis, assessments of treatment effectiveness, and serves as an invaluable starting point for many clinical audits. We

have invested in the development of new coding staff within our service, and while the completeness of data within one month of discharge was only 88% during the year, we have a trajectory which indicates that the 95% will be sustainably achieved by Autumn 2025. Internal Audit undertook a review of the structures and processes for ensuing data quality during 2024/25, which provided limited assurance. Whilst there are good processes in place, persistent data quality issues were identified due to a lack of accountability at service level, where the data quality issues originate, but are not adequately addressed. A plan has been developed to address the matters raised, with Internal Audit reviewing progress in 2025/26. From April 2025, oversight of data quality will be undertaken by the new Digital, Data and Innovation Committee.

Efforts continue to reduce reliance on physical case notes and promote the use of electronic documentation in line with the development of the Clinical Record Keeping Policy. Work is also underway to explore opportunities presented by automation of the coding processes, and the use of Artificial Intelligence (AI). Both initiatives will further support the improvement of clinical coding data and its applications.

- **Ministerial directions**

The Welsh Government has issued a number of ministerial directions during 2024/25. Details of these and a record of any ministerial direction given is available to read here.

A schedule of the directions, outlining the actions required and our response to implementing these was presented to the ARAC as an integral element of the suite of documents evidencing governance of the organisation for the year. From this work it was evidenced that we were not impeded by any significant issues in implementing the actions required as has been the situation in previous years. All directions issued have been fully considered by the Sustainable Resources Committee on behalf of the Board, and, where appropriate, implemented (see Appendix 4).

In accordance with a ministerial direction issued on 18 December 2019, the Welsh Government has taken action to support circumstances where pensions tax rules are impacting upon clinical staff who want to work additional hours, and have determined that clinical staff who are members of the NHS Pension Scheme and who, as a result of work undertaken in the 2019-20 tax year, face a tax charge on the growth of their NHS pension benefits, may opt to have this charge paid by the NHS Pension Scheme, with their pension reduced on retirement.

The Welsh Government, on behalf of the Health Board, will pay the members who opt for reimbursement of their pension a corresponding amount on retirement, ensuring that they are fully compensated for the effect of the deduction.

A Scheme Pays provision of £707k has been included in the 2024/25 Annual Accounts (2023/24: £633k).

- **Welsh health circulars**

Welsh health circulars (WHCs) are published by the Welsh Government to provide a streamlined, transparent and traceable method of communication between NHS Wales and NHS organisations. WHCs relate to different areas such as policy, performance and delivery, planning, legislation, workforce, finance, quality and safety, governance, information technology, science, research, public health and letters to health professionals. Details of WHCs are available to read here.

These are assigned to a lead director who is responsible for the implementation of required actions, and progress updated via AMAT. The Board has designated oversight of this process to board level committees, with an end-of-year report provided to the ARAC.

11.5.27 Review of effectiveness

As accountable officer, I have responsibility for reviewing the effectiveness of the system of internal control. The review of the system of internal control is informed by the work of the internal auditors, and the executive officers within the organisation who have responsibility for the development and maintenance of the internal control framework, and comments made by external auditors in their audit letter and other reports.

The Board and committees rely on a number of sources of internal and external assurances which demonstrate the effectiveness of the Health Board's system of internal control and advise where there are areas of improvement. Action plans are developed and reported through our Board committee structure to provide assurance that action is taken to address any identified areas of improvement and/or gaps in control. These include:

- feedback from the Welsh Government and the specific statements issued by the Cabinet Secretary for Health and Social Services
- local counter fraud and post payment verification activity
- inspections by Healthcare Inspectorate Wales
- peer reviews (including Getting it Right First Time (GIRFT))
- accreditation, licensing and regulatory bodies
- Royal College and Deanery visits
- clinical, internal and external audit reports
- feedback from statutory commissioners
- feedback from staff, patients, service users and members of the public
- patient safety walkabouts
- engagement visits by independent members
- assurance provided by ARAC and other committees of the Board
- integrated performance assurance reports
- whistleblowing and speaking up safely
- incidents reports
- concerns and compliments

11.5.28 Internal audit

Internal Audit (IA) provide me as accountable officer, and the Board through the Audit and Risk Assurance Committee, with a flow of assurance on the system of internal control. I have commissioned a programme of audit work which has been delivered in accordance with public sector internal audit standards by the NHS Wales Shared Services Partnership. The scope of this work is agreed with the audit committee and is focused on significant risk areas and local improvement priorities.

The overall opinion by the Head of Internal Audit on governance, risk management and control is a function of this risk-based audit programme and contributes to the picture of assurance available to the Board in reviewing effectiveness and supporting our drive for continuous improvement.

The internal audit plan has needed to be agile and responsive to ensure that key developing risks are covered. The Head of Internal Audit meets weekly with the Director of Corporate Governance/Board Secretary and when required, the Executive Director of Finance to discuss and consider any changes to the internal audit plan, either to accommodate fluctuations in operational demand or changing priorities.

As a result of this approach and, with the support of officers and independent members across the Health Board, the plan has been delivered substantially in accordance with the agreed schedule and changes required during the year.

11.5.29 Head of Internal Audit opinion

The Head of Internal Audit is satisfied that there has been sufficient internal audit coverage during the reporting period in order to provide the Head of Internal Audit Annual Opinion. In forming the opinion, the Head of Internal Audit has considered the impact of the audits that have not been fully completed.

The Head of Internal Audit has concluded for 2024/25:

Reasonable assurance		The Board can take **Reasonable** assurance that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance. Low to moderate impact on residual risk exposure until resolved.

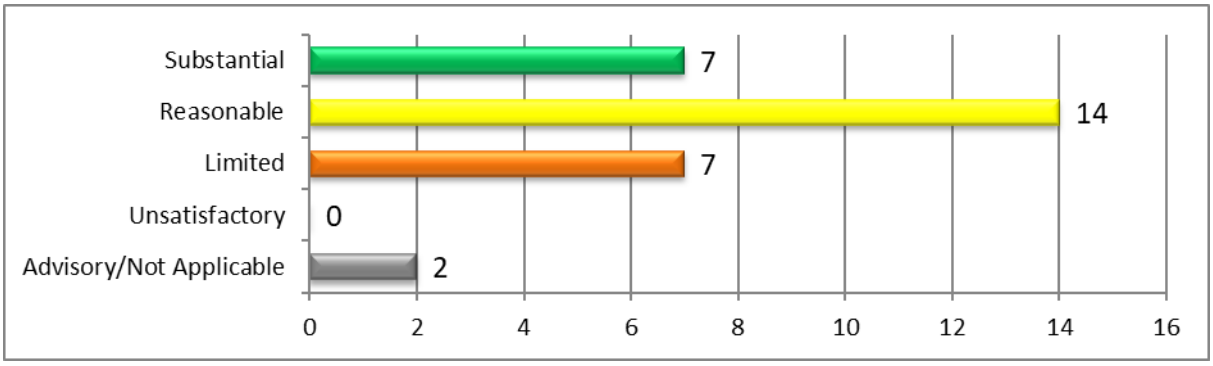
In reaching this opinion the Head of Internal Audit has identified that some reviews during the year concluded positively with effective control arrangements operating in some areas. From the opinions issued during the year, six were allocated ‘substantial assurance’, fifteen were allocated ‘reasonable assurance’, seven were allocated ‘limited assurance’ with none allocated an ‘unsatisfactory assurance’ opinion. Two advisory or non-opinion reports were also issued.

It is considered that the Health Board has strong arrangements at a corporate level, and this is again supported by outcomes from audit within the 2024/25 plan. However, arrangements across areas and services within the organisation show significant variation, with weaknesses frequently identified from an internal control, risk management and governance perspective.

In addition, the Head of Internal Audit considered residual risk exposure across those assignments where ‘limited assurance’ was reported. Further, the Head of Internal Audit considered the impact where audit assignments planned this year did not proceed to full audits following preliminary planning work and these were either: removed from the plan; removed from the plan and replaced with another audit; or deferred until a future audit year. The reasons for changes to the audit plan were presented to the Audit and Risk Assurance Committee for consideration and approval. Notwithstanding that the opinion is restricted to those areas which were subject to audit review,

the Head of Internal Audit has considered the impact of changes made to the plan when forming the overall opinion.

In total 30 audits reviews were reported during the year. Figure 2 below presents the assurance ratings and the number of audits derived for each.



Summary of 2024/25 audit assurance ratings:

Substantial Assurance	• Executive Team governance • Performance management • Digital strategic partner • Digital benefits realisation • Cash management • Waiting list management • CHC – Database maintenance and financial processes
Reasonable Assurance	• Targeted Intervention governance • Annual planning • Financial management • Job planning • Emergency and business continuity planning • Learning lessons • Falls management • Nurse Staffing Act • Capital systems • Energy management • Ultrasound corporate risk • Speaking up • GGH Capital RAAC • Agreed action tracking and follow-up
Limited Assurance	• Nursing management • Discharge management • Mortuary (joint SBUHB) • Data quality / use of data • Bed management • Health and safety • Cleanliness

Unsatisfactory Assurance	N/A
Advisory/Non-opinion	• Contract management • Discharge management agreed action follow-up

While there were no audited areas that resulted in 'unsatisfactory assurance', the following audit reports were issued with a conclusion of 'limited assurance':

- **Nursing management**

This audit reviewed the systems in place for rostering and absence management. Three high priority findings were identified, including annual leave utilisation outside of the permitted tolerance, lack of evidence to demonstrate agency use approval in line with the new escalation process and lack of evidence to demonstrate that sickness absence is being managed in accordance with the all Wales Managing Attendance at Work Policy. This will be followed up in 2025/26.

- **Discharge management follow-up**

This audit sought to provide assurance on the controls and processes in place for the safe and efficient discharge of patients, including progress in implementing the actions agreed with management to address the issues identified in the previous 2023/24 audit report. Whilst positive progress was noted, with two of the four management actions implemented from the previous report, 'limited assurance' was concluded. Two high priority recommendations were raised relating to incomplete and inaccurate information retained on within the Frontier system, and instances of limited discharge planning documentation within manual and electronic systems.

- **Management of bed capacity**

This audit sought to provide assurance on the arrangements of established bed capacity baselines, and the allocation and utilisation of beds including the use and de-escalation of surge beds. Whilst positive actions had been undertaken to remodel ward established core bed numbers and reducing surge beds at Withybush Hospital as part of the Targeted Intervention programme, four high priority recommendations were raised within the report. These related to minimal evidence to support established core bed numbers for Section 25A wards, variances in the established core bed numbers, multiple sources of established core bed numbers with varying figures, and a lack of a formal service change process, and interpretation of surge and 'flex' beds potentially leading to variances in established core bed numbers. Internal Audit will review the implementation of the recommendations in 2025/26.

- **Mortuary services**

This audit was a joint review of arrangements in place between Swansea Bay UHB and the Health Board to support the effective provision of mortuary services, ensuring compliance with Human Tissue Authority regulations. The review concluded that despite the commitment of the Regional Pathology Programme Director and efforts of other staff, progress with taking the programme forward has been slow due to funding and staff capacity issues. Four high priority recommendations were raised for the attention of both health boards, including the need to strengthen documentation of roles and responsibilities, a review of the programme management

structure for the mortuary element of the Regional Pathology Programme to ensure clarity, the impact of funding issues on the ability to deliver the programme, and a need to review governance structures to ensure they are effective and provide sufficient oversight over the mortuary element of the programme. Internal Audit will review the implementation of the recommendations in 2025/26.

- **Health and safety**

This audit reviewed the arrangements for ensuring compliance with health and safety regulations. Two high priority recommendations were raised relating to the insufficient monitoring of actions arising from health and safety site visits and the significant volume of outstanding actions and weaknesses in the methodology for their prioritisation, and gaps in assurance reporting to the Health and Safety Committee. This will be followed up in 2025/26.

- **Data quality**

This audit reviewed the structures and processes for ensuring data quality within the Health Board. 'Limited assurance' was concluded, primarily due to persistent data quality issues within the Health Board, despite the Information Quality Assurance (IQA) team having good processes in place. The primary concern lies with a lack of accountability at service level, where data quality issues originate but are not being adequately addressed. Consequently, the IQA team's resources are constrained to overseeing ongoing issues in one key system, leaving them unable to manage or improve data quality across other systems. Matters requiring management attention included resources needed to fully implement and maintain data quality standards across all Health Board systems; lack of accountability for data quality within service areas; absence of data quality metrics to aid performance monitoring, and the absence of a formal information/intelligence strategy to ensure a co-ordinated and systematic approach to utilising intelligence across teams and services. This will be followed up in 2025/26.

- **Cleanliness**

This follow-up review was undertaken to assess progress in implementing the actions agreed with management to address the issues identified in the previous audit, including additional testing. 'Limited assurance' was concluded as whilst some progress had been made in addressing the issues arising from the 2023/24 internal audit, a number of actions are ongoing with the associated risks not fully addressed. These included consistent reporting of Synbiotix scores to county infection, prevention and control groups, completion of refresher training, wider roll-out of the pilot study, cleaning schedules to be in place for all wards/clinical areas, cleaning audits to be undertaken in line with policy with target scores being achieved and regular monthly operational performance delivery meetings not taking place. This will be followed up in 2025/26.

All 'limited assurance' reports are subject to follow up reviews and these will form part of the 2025/26 Internal Audit plan if they have not already been followed up.

The Welsh Government are also provided with regular reports on our progress on addressing 'limited assurance' reports and the learning from them.

Management responses that detail the actions to address gaps in control were included in all final IA reports presented to ARAC with assurance on progress on implementing the recommendations

provided to the committee via the audit assurance report. The minutes and all final IA reports can be found within the ARAC section of the website: https://hduhb.nhs.wales/about-us/governance-arrangements/board-committees/audit-and-risk-assurance-committee-arac/

Where audit assignments planned, this year did not proceed to full audits following preliminary planning work, these were either removed from the plan, and replaced with another audit, or deferred until a future audit year.

The following audits were deferred:

Review Title	Reason
Medical locums	Review arrangements for the control and management of the usage of medical locums. Included with 2025/26 plan as programme of work still in progress.
Managed practices	Review the provision and management of managed practices. Included with 2025/26 plan in order to accommodate other work.
Revised operational governance arrangements	Review of the revised directorate governance structures. Included with 2025/26 as structures were not implemented until April 2025.
Estates and Facilities Directorate	Review control and governance arrangements including rotas, staff management and procurement. Included with 2025/26 plan as other internal work was scheduled within directorate.

11.5.30 Audit Wales structured assessment

The Audit Wales structured assessment is a process that looks at whether we have made proper arrangements to secure economy, efficiency, and effectiveness in our use of resources.

The structured assessment in 2024 (available to read here: Hywel Dda University Health Board – Structured Assessment 2024 focused on our corporate arrangements for ensuring that resources are used efficiently, effectively, and economically. The overall assessment concluded that “the Health Board’s corporate arrangements continue to operate effectively, despite a period of significant change, with a small number of areas that could be further improved. Whilst the financial position for 2024/25 remains extremely challenging, the Health Board is taking positive steps to get onto a more sustainable footing”.

Audit Wales found that in relation to Board transparency, effectiveness and cohesion, that “whilst managing a period of significant change, the Board and its committees continue to work well, maintaining a clear focus on public transparency, good governance, continuous improvement and hearing from patients and staff”.

Audit Wales found that in relation to corporate systems of assurance “the Health Board continues to have appropriate arrangements for corporate oversight of risk, performance, tracking recommendations, and the quality and safety of services. The performance management framework however needs to be updated to reflect current performance arrangements, and more frequent updates on the implementation of the Quality Improvement Strategic Framework should be provided”.

In respect of the corporate approach to planning, Audit Wales found that “development and delivery of the Health Board’s plans continue to be supported by appropriate oversight, underpinned by a pragmatic approach to addressing planning team capacity issues. There is scope to review well-being objectives as part of a planned long term strategy refresh.”

In respect of managing its financial resources, Audit Wales found that “whilst the financial position for 2024/25 remains extremely challenging, the Health Board is taking positive steps to improve its financial position and to develop a roadmap to ensure financial sustainability. There remains a clear approach for financial planning and managing and monitoring the financial position, but there is a need to strengthen the approach to delivering cost savings opportunities”.

Audit Wales reviewed our progress against recommendations made in previous reports and issued three new recommendations in the structured assessment for 2024. These related to the Improving Together Framework, Quality Improvement Strategic Framework, and well-being objectives and strategy refresh.

During 2024/25, Audit Wales also completed the following reviews:

- Audit of the Charitable Funds Accounts 2023/24
- Audit of the Annual Report and Accounts 2023/24
- Review of Operational Governance Arrangements
- Review of Cost Savings Arrangements Report

11.5.31 Conclusion

The Health Board was unable to produce a financially balanced IMTP for 2024/25. This was a breach of two statutory duties for both finance and planning and is an unacceptable position for both ourselves and Welsh Government. This year has been another challenging year for the Health Board following Welsh Government increasing our escalation status to Targeted Intervention (level 4) in January 2024 for the entire organisation due to their concerns on our lack of sustained progress over a period of time on integrated planning, finance and delivery. However, in recognition of our considerable progress during the year, I was delighted to learn in March 2025 that the Health Board had been de-escalated for Child and Adolescent Mental Health Services, Planned Care, Governance and Leadership, with these all moved from Targeted Intervention to Enhanced Monitoring status (Level 4 to Level 3). This has demonstrated that focused, structured planning can drive real change, and we remain focused on addressing the areas that still require improvement.

It would also be remiss not to mention that the Health Board started the financial year with a number of interim positions at Board level which included the roles of Chair, Chief Executive Officer, Executive Medical Director and Executive Director of Nursing, Quality and Patient Experience. I am therefore pleased to report that these positions, including my own as Chief Executive Officer, were substantively appointed to during the year with all executive posts being taken up by the interim appointments.

The Health Board’s structured assessment for 2024 undertaken by Audit Wales provided a positive view of the organisation’s corporate arrangements to support good governance and the

efficient, effective, and economical use of resources in most areas. It was pleasing to note the Audit Wales's recognition that, despite our significant performance and financial challenges, our corporate arrangements are generally effective, notwithstanding the three recommendations issued this year relating to the:

- Improving Together Framework
- Quality Improvement Strategic Framework
- Well-being objectives and strategy refresh.

As an organisation, we recognised that we needed to strengthen our operational governance and leadership capacity, therefore during 2024/25, we started the process of implementing a more effective operational structure designed to improve governance and performance, and deliver better outcomes and experience for patients. This work has also enabled us to respond to previous recommendations from Audit Wales and our increased escalation status.

Revised governance arrangements to support the new structure were also put in place to ensure there was consistency and standardisation. These new arrangements, implemented from 1 April 2025, will strengthen the flow of information from the new clinical care groups to the Executive Team and Board.

During 2024/25, we have proactively identified areas requiring improvement and requested Internal Audit to undertake detailed assessments in order to manage and mitigate associated risks. Several reports issued by Internal Audit concur with our view and have consequently provided the Health Board with clear recommendations to ensure that focused and urgent management actions are in place to address identified shortcomings.

The Health Board received 30 Internal Audit reports during 2024/25, two of which were advisory/non-opinion, and 21 provided the Health Board with reasonable assurance. This has resulted in the Head of Internal Audit issuing a reasonable assurance rating to the Health Board, supported by the outcomes from audits within the 2024/25 plan, which demonstrated that the Health Board has strong arrangements at a corporate level. Although it was recognised that this needs to be strengthened across the operational structure based on the seven audits which resulted in 'limited assurance'. These demonstrated that there is significant variation in arrangements across areas and services within the organisation with weaknesses frequently identified from an internal control, risk management and governance perspective. In response to all internal audits, robust action plans have been agreed to address the recommended areas of improvement, with follow-up reviews to ensure appropriate action is taken.

As a Board, we have continued to make progress against our strategic objectives, and during 2025/26 intend to undertake a strategic refresh of our 'A Healthier Mid and West Wales' Strategy partly in response to changing capital assumptions, post-pandemic pressures, and the time elapsed since the current strategy was approved. Building on the enduring principles of the original strategy, the refresh is designed to refine our approach while preserving our core commitments.

We will be able to measure our effectiveness through further de-escalation and our new Board maturity matrix. This year provides a baseline to improve upon, through the delivery of our Annual Plan which outlines clear priorities and measurable targets across urgent and emergency care,

planned care and diagnostics, mental health, workforce stabilisation and financial recovery. While we operate within financial constraints, we remain focused on quality improvement, innovation, promoting healthier communities and transforming care pathways. Our plan describes our key objectives and deliverables for the next 12 months and lays the foundations for further progress beyond that.

In summary, my review confirms that the Board has sound systems of internal control in place to support the delivery of policy aims and our strategic objectives and that there are no significant internal control or governance issues to report for 2024/25, other than those reflected throughout this report.

Signed by:

Professor Philip Kloer

Chief Executive Officer

Date: 26 June 2025

Appendix 1 - Board and committee membership and the record of attendance for the period 1 April 2024 – 31 March 2025

Name	Position and area of representation	Board committee membership and record of attendance	Champion role
Dr Neil Wooding	Chair from 1 June 2024	Board (Chair) 6/6 RTSC (Chair) 6/6	Raising concerns (staff)
Judith Hardisty	Interim Chair until 31 May 2024	Board (Chair) 2/2 RTSC (Chair) 1/1	Raising concerns (staff)
Eleanor Marks	Vice Chair (Mental health, learning disabilities, primary care and community services)	Board (Vice-Chair) 7/8 ARAC 8/8 HSC 5/6 MHLC (Chair) 2/4 SDODC 5/6 SRC 7/7	Mental health Carers
Cllr Rhodri Evans	Independent Member (Local authority)	Board 8/8 ARAC (Chair) 8/8 PODCC 5/6 RTSC (Vice-Chair) 6/7 SDODC 6/6	Equality
Anna Lewis	Independent Member (Community)	Board 6/8 CFC 3/4 PODCC (Vice-Chair) 6/6 QSEC (Chair) 6/6 RTSC 5/7	Duty of Quality and Duty of Candour Speaking up safely
Chantal Patel	Independent Member (University)	Board 6/8 Ethics Panel (Chair) 3/3 HSC 2/2 PODCC (Chair) 5/6 QSEC 4/6	Infection prevention and control Putting Things Right
Winston Weir	Independent Member (Finance)	Board 6/8 ARAC (Vice-Chair) 5/8 MHLC 1/4 SDODC 5/6 SRC (Chair) 7/7	
Maynard Davies	Independent Member (Information technology)	Board 8/8 ARAC 8/8 SDODC (Chair) 6/6 SRC (Vice-Chair) 6/7 RTSC 6/7	Older persons
Michael Imperato	Independent Member (Legal)	Board 7/8 ARAC 7/8 SDODC (Vice Chair) 5/6 SRC 6/7	
Iwan Thomas	Independent Member (Third sector)	Board 6/8 CFC (Vice-Chair) 3/4 HSC 4/6	

		MHLC (Vice-Chair) 4/4 QSEC 0/6 SRG 0/2	
Delyth Raynsford	Independent Member (Community)	Board 8/8 CFC (Chair) 4/4 HSC (Vice-Chair) 4/6 PODCC 6/6 QSEC (Vice-Chair) 6/6 SRC 6/7	Welsh language Armed Forces and veterans Children and young people
Ann Murphy	Independent Member (Trade union)	Board 8/8 CFC 3/4 HSC (Chair) 6/6 MHLC 4/4 PODCC 6/6 QSEC 6/6 SPF 5/5	
Michael Gray	Associate Member	Board 4/8	
Jeremy Hockridge	Associate Member	Board 0/8 SRG 1/4	
Professor Philip Kloer	Interim Chief Executive Officer until 21 October 2024	Board 5/5 RTSC 1/1	Welsh language
	Chief Executive Officer from 22 October 2024	Board 3/3 RTSC 6/6	Welsh language
Lisa Gostling	Executive Director of Workforce and Organisational Development/ Interim Deputy Chief Executive Officer until 1 December 2024	Board 6/6 PODCC 4/4 RTSC 3/3 SPF 4/4	
	Executive Director of Workforce and Organisational Development/ Deputy Chief Executive from 2 December 2024	Board 2/2 PODCC 2/2 RTSC 2/2 SPF 1/1	
Mark Henwood	Interim Executive Medical Director	Board 7/8 Ethics Panel 3/3 PODCC 6/6 QSEC 5/6 SRC* 2/7	Caldicott Guardian
Huw Thomas	Executive Director of Finance	Board 8/8 ARAC 8/8 CFC 4/4 SDODC 6/6 SPF /5 SRC 7/7	

Sharon Daniel	Interim Executive Director of Nursing, Quality and Patient Experience	Board 8/8 CFC 4/4 HSC 4/6 PODCC 6/6 QSEC 6/6 SPF 5/5 SRC* 5/7	Violence and Aggression Children and Young People
James Severs	Executive Director of Therapies and Health Science	Board 8/8 HPF 2/2 HSC 6/6 PODCC 4/6 QSEC 6/6 SPF 4/5	
Andrew Carruthers	Executive Chief Operating Officer	Board 8/8 HSC 5/6 MHLC 1/4 QSEC 6/6 SDODC 6/6 SPF 4/5 SRC 6/7	Fire safety
Lee Davies	Executive Director of Strategy and Planning	Board 8/8 SDODC 6/6 SPF 1/5	
Dr Ardiana Gjini	Executive Director of Public Health	Board 7/8 HSC 5/6 PODCC 6/6 QSEC 6/6 SDODC 6/6 SRG 2/2	Emergency planning
Joanne Wilson	Director of Corporate Governance/Board Secretary	Board 8/8 ARAC 8/8 HSC 6/6 PODCC 6/6 SDODC 6/6 QSEC 6/6 RTSC 7/7 SRC 7/7	Counter fraud
Jill Paterson	Director of Primary Care, Community and Long-Term Care	Board 7/8 QSEC 6/6 SDODC 6/6 SRC 6/7	
Alwena Hughes-Moakes	Communications and Engagement Director	Board 7/8 PODCC 5/6 SRG 4/4	

*Only one Clinical Executive Director is required to attend the meeting.

Deputy representation for executive directors is included in figures above.

Appendix 2 – Table of quoracy

The following table outlines dates of Board and committee meetings held during 2024/25, with all meetings being quorate:

Month	Board	Audit and Risk Assurance Committee	Charitable Funds Committee	Health and Safety Committee	Mental Health Legislation Committee	People, Organisational Development and Culture Committee	Strategic Development and Operational Delivery Committee	Sustainable Resources Committee	Quality, Safety and Experience Committee	Remuneration and Terms of Service Committee
Apr24	10.04.24 (e)	16.04.24				15.04.24	25.04.24	30.04.24	09.04.24	
May24	30.05.24	09.05.24 (e)		07.05.24						16.05.24
Jun24		18.06.24	21.06.24		07.06.24	13.06.24	27.06.24	25.06.24	11.06.24	
Jul24	11.07.24 (e) 25.07.24	09.07.24		09.07.24						
Aug24		13.08.24				20.08.24	29.08.24	27.08.24	15.08.24	
Sep24	26.09.24		17.09.24	10.09.24	03.09.24					10.09.24
Oct24		15.10.24				29.10.24	31.10.24	22.10.24	08.10.24	22.10.24
Nov24	28.11.24			12.11.24						15.11.24
Dec24		10.12.24	13.12.24		02.12.24	16.12.24	19.12.24	17.12.24	05.12.24	02.12.24 18.12.24
Jan25	30.01.25			14.01.25						
Feb25		11.02.25				18.02.25	27.02.24	25.02.24	13.02.25	06.02.25
Mar25	27.03.25		18.03.25	04.03.25	11.03.25					

(e) – Extraordinary meetings

Appendix 3 - A summary of key items considered by committees in 2024/25

In line with the terms of reference for all committees, there are standard agenda items that are presented for assurance, for approval and for information by all committees to ensure they are meeting the aims and objectives which are aligned to the committee.

Where there is a sub-committee aligned to the committee, regular update reports are presented for assurance and information to ensure services are being managed effectively and efficiently across the whole Health Board.

Audit and Risk Assurance Committee (ARAC)

The role of ARAC is to advise and assure the Board, and the accountable officer, on whether effective arrangements are in place to support them in their decision taking and in discharging their accountabilities in accordance with the standards of good governance determined for the NHS in Wales. Items considered:

- Review of committee terms of reference
- Self-assessment of committee effectiveness report
- Changes to standing orders and standing financial instructions
- Changes to scheme of delegation
- Escalation status update reports
- IA plans were submitted to each meeting providing details relating to outcomes, key findings and conclusions (see Internal Audit section)
- Audit Wales reports on current and planned audits
  - Audit Wales reports on structured assessment
  - review of operational governance arrangements
  - review of cost savings arrangements report
- Post payment verification report
- Counter fraud (CF) reports including
  - NHS CF Authority SRT return
  - Guidance on offence of failure to prevent fraud
  - Annual review of requisitions
  - Annual report and forward workplan
- Annual accounts, accountability and remuneration reports for 2023/24
- Financial assurance reports including single tender actions, special losses and payments
- Review of summary of single tender actions
- Non-clinical temporary staff/agency spend report
- Industrial action payments report
- Audit, inspectorate and regulator assurance reports
- Risk assurance reports
- Risk management strategy
- Clinical audit assurance reports
- Declarations of interest and gifts and hospitality report
- Self-assessment of committee effectiveness report
- Welsh Health Circular compliance report

- Contract and procurement processes report
- Review of the standard operating procedure for managing board and committees

Agendas and papers are available on the following link: Audit and Risk Assurance Committee (ARAC) - Hywel Dda University Health Board

Charitable Funds Committee (CFC)

The CFC is charged with providing assurance to the Board in its role as corporate trustees of the charitable funds (CF) held and administered by the Health Board. It makes and monitors arrangements for the control and management of the Board's charitable funds within the budget, priorities and spending criteria determined by the Board and consistent with the legislative framework. Items considered:

- Review of committee terms of reference
- Self-assessment of committee effectiveness report and action plan
- Charitable Funds Sub Committee update reports (including terms of reference and annual report)
- Charitable funds risk reports
- Integrated Hywel Dda Health Charities performance reports
- Hywel Dda Health Charities expenditure plan
- Review of the Rationalisation of Charitable Funds
- Annual governance and support costs associated with the running of the charity
- Approval of charitable funds expenditure over £50,000
- Review of the support for life response fund
- Update on the hydrotherapy pool: JC Williams (Elizabeth Williams Endowment) Trust Fund
- Annual review of expenditure eligibility criteria
- Hywel Dda Health Charities performance reports
- Review of the cost benefit of the fundraising team
- Charitable Funds annual accounts report for 2023/24
- Investment advisor performance updates
- Evaluation reports of expenditure approved by the Charitable Funds Committee
- Approval of policies and procedures relating to charitable funds
- Overview of HDdUHB Capital Programme

Agendas and papers are available on the following link: Charitable Funds Committee (CFC) - Hywel Dda University Health Board

Health and Safety Committee (HSC)

The HSC provides assurance on the arrangements for ensuring the health, safety, welfare and security of all employees and of those who may be affected by work-related activities, such as patients, members of the public, volunteers, contractors etc.

It provides advice on compliance with all aspects of health and safety legislation, as well as advises and assures the Board on whether effective arrangements are in place to ensure organisational wide compliance of the Health Board's health and safety policy, approves and monitors delivery against the Health and Safety Priority Improvement Plan and ensures

compliance with the relevant Standards for Health Services in Wales. It also provides assurance on the Health Board's Emergency Management Plan. Items considered:

- Review of committee terms of reference
- Committee self-assessment outcomes report and action plan
- Committee annual report
- Health and Safety Sub-Committee update reports (including terms of reference)
- Staff/patient stories
- Corporate and operational risk reports
- Health and Safety related policies and procedures for approval
- Health and safety update reports
- Health and safety governance review and updates
- Security management updates
- Fire management updates
- Fire safety training updates
- Fire safety audit system (Boris) update reports
- Estates management safety reviews
- RAAC update reports
- RIDDOR: Six-monthly updates and all Wales report
- PREVENT and CONTEST: Six-monthly updates.
- Major Incident Annual Plan: 2024/25
- Estates low voltage (lv) electricity compliance update
- WHTM (Welsh Health Technical Memorandums): Six-monthly update report
- Health and Safety Internal Audit report
- Health and safety training compliance update
- Control of Substances Hazardous to Health (COSHH) update and training compliance report
- Occupational health report (needlestick injuries)
- Maintaining traffic flow outside PPH report
- Diff X cleaning agent: assurance report
- Martyn's Law/Terrorism Protection of Premises Bill report
- Health and Safety Regulations updates
    - Bariatric compliance (Manual Handling Operations Regulations 1992) report
    - Display Screen Equipment compliance report
    - Control of Vibration at Work Compliance report
    - Working at height compliance report
- Critical threat level response framework

Agendas and papers are available on the following link: Health and Safety Committee (HSC) - Hywel Dda University Health Board

Mental Health Legislation Committee (MHLC)

The MHLC assures the Board that those functions of the Mental Health Act 1983 as amended, which have been delegated to officers and staff, are being carried out correctly, and that the wider operation of the 1983 Act in relation to the Health Board's area is operating properly, the provisions of the Mental Health (Wales) Measure 2010 are implemented and exercised

reasonably, fairly and lawfully, the Health Board's responsibilities as hospital managers are being discharged effectively and lawfully, and that the Health Board is compliant with the Mental Health Act (MHA) Code of Practice for Wales.

The MHLC also advises the Board of any areas of concern in relation to compliance with mental health legislation and agrees issues to be escalated to the Board with recommendations for action. Items considered:

- Review of committee terms of reference
- Self-assessment of committee effectiveness report and action plan
- Committee annual report
- Mental Health Legislation Scrutiny Group (MHLSG) update reports (including terms of reference)
- Hospital Manager's Power Discharge Sub-Committee update reports (including terms of reference)
- Patient stories
- Policies and procedures for approval
- Mental Health Act reports
- Mental Health (Wales) Measure 2010 reports
- HIW MHA inspection reports and action plans
- Corporate and operational risk reports
- Assurance on implementation of HIW, and other external scrutiny bodies action plans
- Sub-committee and group structure
- Assurance on compliance with mental health legislation
- Out of area placements reports
- HIW MHA Annual Report
- Mental health law briefings
- New legislation/policy guidance reports

Agendas and papers are available on the following link: Mental Health Legislation Committee (MHLC) - Hywel Dda University Health Board

People, Organisational Development and Culture Committee (PODCC)

PODCC was established to receive an assurance on all relevant planning objectives falling in the main under strategic objective one (putting people at the heart of everything we do), objective two (working together to be the best we can be), and objective three (striving to deliver and develop excellent services).

The committee has a focus on education and development of staff, recruitment, retention and talent management, becoming an employer of choice, performance and quality management systems, business intelligence capabilities and improvement training, patient experience, engagement and empowerment, workforce related policies, diversity and inclusion, carers support, regulatory and professional bodies compliance, arrangements to support ongoing transformation and board assurance framework development and research, development and innovation planning/deliver. Items considered:

- Review of committee terms of reference

- Self-assessment of committee effectiveness report and action plan
- Committee annual report
- Research and Innovation Sub Committee update reports (including terms of reference and annual report)
- Research and Innovation Sub Committee University Partnerships Update
- Strategic People Planning and Education Group update reports (including terms of reference and annual report)
- BAME Advisory Group Mid-Year Review (including bullying and harassment update and anti-racist Wales action plan)
- Anti Racist Wales Implementation Group updates (including terms of reference)
- Staff stories relating to managing performance, experience and impact of participation in staff networks, staff retention ("why I stayed"), apprenticeships within Hywel Dda University Health Board, physician associates in primary care.
- Corporate and operational risks
- Corporate and employment policies for approval
- Welsh Health Circulars (WHCs)
- Monitoring of Ministerial Directions
- Targeted Intervention progress report
- Discovery report and action plan
- Annual carers report
- Workforce efficiency report
- Employment law reports
- Employment reduction: deep dive
- Employee relations report
- Community nursing annual report/ community staffing update
- Speak up safely working group six-monthly reports
- Impact of government immigration rule changes
- Medical workforce performance and mandatory training report
- Staff Partnership Forum updates
- Trade union update
- Staff survey results report
- Implementation of the non-pay deal
- Welsh Language annual report and updates
- Welsh Language and culture discovery report
- Increase in stress amongst staff: deep dive
- LGBTQ+ action plan updates
- Culture progression report
- Armed forces annual update
- Planning objectives reports (workforce plan, recruitment plan, retention plan, workforce education and development plan)
- Strategic equality plan annual report
- Research and Development Framework Annual Update
- Research and Development Strategy Review
- Tritech business plan

- Integrated performance assurance reports
- HEIW targeted visits report
- Research and development framework update
- Corporate and employment policies for approval
- Contractual and legislative change updates
- Outcome of Advisory Appointments Committee updates

Agendas and papers are available on the following link: People, Organisational Development and Culture Committee (PODCC) - Hywel Dda University Health Board

Quality and Safety Experience Committee (QSEC)

The QSEC is responsible for providing evidence based and timely advice to the Board to assist it in discharging its functions and meeting its responsibilities about the quality and safety of healthcare and services provided and secured by the Health Board. It provides assurance to the Board in relation to the organisation's arrangements for safeguarding vulnerable people, children and young people and improving the quality and safety of healthcare to meet the requirement and standards determined for the NHS in Wales. Items considered:

- Review of committee terms of reference
- Self-assessment of committee effectiveness report and action plan
- Committee annual report
- Quality, Safety and Experience Sub-Committee update reports (including terms of reference and annual report)
- Listening and Learning Sub-Committee update reports (including terms of reference and annual report)
- Patient/staff stories
- Corporate risk reports
- Policies for approval
- Targeted Intervention progress report
- Behaviours framework report
- Fragile services update report
- Learning framework report
- Revised operational governance arrangements
- Duty of Quality assurance reports incorporating:
    - External inspection and peer reviews
    - Nurse Staffing Act assurance
    - Walk arounds
    - Quality improvement outcomes
    - Quality impact assessments
    - Putting things right
    - Health Care Acquired Infections (HCAI)
    - Duty of Candour
    - Learning from significant events
    - Speak Up reports on quality themes
    - Paediatrics service changes BGH

  - WHC overview
  - National Nosocomial COVID-19 programme end of programme learning report
- Duty of Quality and Candour Annual Report 2024
- Nurse Staffing Levels (Wales) Act:
  - Assurance reports
  - Annual report 2023/24 and spring calculation cycle
  - Nurse staffing levels impact of reduction of agency and bank Staff on quality, safety and patient experience interim report
  - Patient acuity - Welsh levels of care impact on nurse staffing levels
- Quality Engagement Act
- Internal Audit urgent and emergency care (UEC) discharge management report
- Paediatric occupational therapy referral to treatment time action plan update
- Mental health and learning disabilities and public health - Review of unexpected deaths to ascertain changes in patterns or trends.
- Understanding the quality and experience impact realised to date through transforming UEC
- Thematic report on care home fragilities and closures including the impact on length of stay at hospitals for patients and quality assurance for out of area referrals.
- Primary care quality and safety governance and HIW inspection reports
- Withybush Creche Care Inspectorate Wales inspection and action plan
- Rheumatology deep dive
- Cleanliness Standards Internal Audit report and action plan
- Integrated quality impact assessment process and terms of reference
- NHS Executive review of neurodevelopment service, psychology and psychological intervention for children and young people
- Upper GI surgery (quality panel)
- Community nursing
- Nosocomial Review
- COVID-19 review action plan - learning shared.
- Obstetrics sonography (Quality Panel)
- Compliance with Additional Learning Needs Act
- Allergies testing service
- Autism Spectrum Disorder (ASD) assessments for Children and Young People (CYP)/ young adults
- Getting It Right First Time (GIRFT) report orthopaedic updates
- Infected Blood Inquiry findings
- GIRFT report general surgery
- Veteran health
- Oncology deep dive
- Stroke services access times
- Impact of RAAC – metrics
- Pembrokeshire child practice review
- Corporate and operational risks
- Assessing and prioritising fragile services

- Sub-committee update reports
- HIW annual report
- Welsh Health Specialised Services Committee Quality Patient Safety Joint Chairs Report
- JCC Quality Safety Outcomes Sub Committee report
- Patient experience reports

Agendas and papers are available on the following link: Quality, Safety and Experience Committee (QSEC) - Hywel Dda University Health Board

Strategy Development and Organisational Delivery Committee (SDODC)

SDODC was established to receive an assurance on all relevant planning objectives falling in the main under strategic objective four (the best health and well-being for our individuals, families, and our communities) and strategic objective five (safe, sustainable, accessible, and kind care). The committee has a focus on NHS Delivery Framework requirements, public health, health inequalities and screening services, Transformation Fund, delivery of the 'A Healthier Mid and West Wales Strategy' and Bronglais Hospital plan, Transforming Mental health and Transforming Learning Disabilities plans, integrated locality plans, children's and young people plan, out-of-hours care, national clinical audits compliance, fragile services plans, care home/domiciliary care market support and development. Items considered:

- Review of committee terms of reference
- Self-assessment of committee effectiveness report and action plan
- Committee annual report
- Capital Sub Committee (including terms of reference and annual report)
- Corporate and operational risk reports
- Corporate policies
- Welsh Health Circular updates
- Ministerial Directions report
- Planning Objective reports (including end of year closure report)
- Targeted Intervention and annual plan updates
- Integrated performance assurance reports (IPAR)
- Commissioning Reports
- A Healthier Mid and West Wales update reports
- Health improvement and well-being strategic plan
- Well-being and Future Generations Act (WBFG) annual report
- Primary Care Integrated Medium Term Plan (IMTP) Report
- Ophthalmology performance: Getting it Right First Time (GIRFT) Reports
- Pharmaceutical needs assessment: six months review report
- Community and long term care quarterly service reports
- Pharmaceutical needs assessment review
- Cluster Integrated Medium Term Plan monitoring report
- Electronic Prescribing Medicines Administration (EPMA) report
- Capital programme reports
- Cross Hands Health and Well-being Centre Business Case
- Sexual Assault Referral Centre (SARC) Business Justification Case
- WGH Fire Safety Matters Business Justification Case

- Planning in partnership: Regional Integration Fund update
- ARCH update
- Public health return on investment: smoking, drugs and alcohol
- Well-being of Future Generations well-being objectives annual report
- Energy performance contract, heat network efficiency scheme report
- Additional funding requirements for planned care waiting list recovery
- Regional orthopaedics model
- Waiting list report
- Deep dive reports
    - Primary Care and Community Strategic Plan
    - A Healthier Mid and West Wales Infrastructure
    - Six Goals Programme
    - Mental Health and Child and Adolescent Mental Health (CAMHS)
    - Population Health
    - Planned Care Updates
    - Clinical Services Plan
    - Emergency Care Programme
    - Community Strategic Plan

Agendas and papers are available on the following link: Strategic Development and Operational Delivery Committee (SDODC) - Hywel Dda University Health Board

Sustainable Resources Committee (SRC)

SRC was established to receive an assurance on all relevant planning objectives falling in the main under strategic objective six (sustainable use of resources), with a focus on financial plans and delivery of the route map to financial recovery, improving value, PROMS/FROMS roll-out and impact, carbon reduction and green health initiatives, foundational economy work, national IT programmes delivery, and budget setting. Items considered:

- Review of committee terms of reference
- Self-assessment of committee effectiveness report and action plan
- Committee annual report
- Information Governance Sub-Committee update reports (including terms of reference and annual report)
- Decarbonisation Task Force Group update reports (including terms of reference and annual report)
- Digital Oversight Group update (including terms of reference and annual report)
- Corporate and operational risk reports
- Ministerial Directions
- Welsh Health Circulars
- Planning objectives update reports
- Finance targeted intervention actions
- Financial procedures
- Integrated performance assurance report (IPAR)
- Capital financial management updates

- Financial activity, productivity and efficiency reports
- Deep dives
  - Pembrokeshire integrated system
  - nursing and medical workforce
  - medicines value and sustainability
  - non-pay and procurement, commissioned care
  - clinical variation and service configuration
  - Savings plan
  - Medicines management
- Deficit drivers annual refresh
- Financial plan and strategy
- Monthly finance reports
- Savings and opportunities report
- Core Delivery Group and Financial Control Group update
- Financial recovery/in-year savings programme
- Financial outlook 2024/25
- Long term agreement outlook 2024/25
- Procurement plan
- Healthcare contracting and commissioning update
- Consultancy reviews
- Balance sheet report
- Internal Audit report on financial systems, financial managements and controls
- Digital transformational partner report
- Digital inclusion
- Digital Maternity Business Case
- Digital Cellular Pathology BJC
- Cyber security updates
- Patient Flow and Electronic Observations Business Case
- Picton Terrace – Welsh Government Building Report
- Pentre Awel Development report
- Social value and carbon reports
- Public sector emissions report
- Value based health care updates
- Net Zero Quantitative Report
- Quarterly NWSSP performance reports

Agendas and papers are available on the following link: Sustainable Resources Committee (SRC) - Hywel Dda University Health Board

Appendix 4 – Ministerial Directions

Ministerial Directions (MDs)	Date/Year of adoption	Action to demonstrate implementation/response
2021. No.59 – The Directions to Local Health Boards and NHS Trusts in Wales on the Delivery of Autism Services 2021	July 2021	This Ministerial Direction is currently being implemented, with an implementation date of October 2025. The Health Board continues to work with the Regional Partnership Board (RPB) in the development and delivery of the Code of Practice Implementation Plan which requires a multi-agency response to address the recommendations outlined in the code.
2023. No.8 – Local Health Boards and NHS Trusts reporting on the introduction of new medicines into the National Health Service in Wales Directions 2023	March 2023	This Ministerial Direction is currently being implemented and aligned with Welsh Health Circular 032-22 relating to the extension of the use of Blueteq in secondary care. There is a delay in the implementation of this Ministerial Direction on an 'all Wales' basis, with discussions ongoing nationally to resolve and progress.
2023. No.27 – The Primary Care (E-Prescribing Pilot Scheme) Directions 2023	June 2023	This Ministerial Directions came into force in June 2023, with overall responsibility for implementation by Digital Health Care Wales (DHCW). The Health Board is represented on DHCW's advisory group overseeing this Ministerial Direction. Progress in implementing the Ministerial Direction is reliant on national roll-out.
2024. No.6 - The National Health Service Joint Commissioning Committee (Wales) Directions 2024	February 2024	This Ministerial Direction has been enacted.
2024. No.9 – Local The National Health Service (Wales Eye Care Services) (Wales) (No. 2) Directions 2024	March 2024	This Ministerial Direction has been enacted.

2024. No.10 - Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 2) Directions 2024	April 2024	This Ministerial Direction has been enacted.
2024. No.17 – The Managed Introduction of New Medicines Into The NHS in Wales Directions 2009 Amendment) (Wales) Directions 2024	April 2024	This Ministerial Direction has been enacted.
2024. No.25 – The Primary Medical Services (Antivirals for Prophylaxis of Seasonal Influenza in Care Home Outbreaks) (Directed Supplementary Service) (Wales) Directions 2024	June 2024	This Ministerial Direction has been enacted.
2024. No.20 – The Primary Medical Services (Directed Supplementary Services) (Wales) Directions 2024	June 2024	This Ministerial Direction has been enacted.
2024. No.24 – The Primary Medical Services (Hormone Treatment Scheme for Adult Transgender Patients) (Directed Supplementary Service) (Wales) Directions 2024	June 2024	This Ministerial Direction has been enacted.
2024. No.22 – The Primary Medical Services (Influenza and Pneumococcal Immunisation Scheme) (Supplementary Services) (Wales) Directions 2024	June 2024	This Ministerial Direction has been enacted.
2024. No.23 – The Primary Medical Services (Oral Anti-coagulation with Warfarin) (Directed Supplementary Service) (Wales) Directions 2024	June 2024	This Ministerial Direction has been enacted.
2024. No.21 – The Primary Medical Services (Pertussis Immunisation for Pregnant and Post-natal Women) (Directed Supplementary Services) (Wales) Directions 2024	June 2024	This Ministerial Direction has been enacted.
2024. No.26 – The Primary Medical Services (Type 2 Diabetes Mellitus Care Scheme for Adults) (Directed Supplementary Service) (Wales) Directions 2024	June 2024	This Ministerial Direction has been enacted.

2024. No.28 – The Alternative Provider Medical Services (Wales) Directions 2024	July 2024	This Ministerial Direction has been enacted.
2024. No.38 – The Primary Care (Contracted Services: Immunisations) (RSV) Directions 2024	August 2024	This Ministerial Direction has been enacted.
2024. No.39 – The Directions to Local Health Boards and NHS Trusts in Wales on the National Framework for Commissioning Care and Support 2024	August 2024	This Ministerial Direction has been enacted.
2024. No.42 - The Pharmaceutical Services (Clinical Services) (Wales) (Amendment) Directions 2024	September 2024	This Ministerial Direction has been enacted.
2024. No.43 – Statement of Financial Entitlements (Amendment) (No. 3) Directions 2024	October 2024	This Ministerial Direction has been enacted.
2024. No.26 – Statement of Financial Entitlements (Amendment) (No. 4) Directions 2024	November 2024	This Ministerial Direction has been enacted.
2024. No.49 – The Local Health Board Medical Services (Wales) Directions 2024	December 2024	This Ministerial Direction has been enacted.
2024. No.53 – The Primary Medical Services (Complex Multi-Morbidity and Frailty) (Directed Supplementary Service) (Wales) Directions 2024	December 2024	This Ministerial Direction has been enacted.
2025. No.2 - The Directions to Local Health Boards as to the General Dental Services Statement of Financial Entitlements (Amendment) Directions 2025	January 2025	This Ministerial Direction has been enacted.
2025. No.3 - The Directions to Local Health Boards as to the Personal Dental Services Statement of Financial Entitlements	January 2025	This Ministerial Direction has been enacted.
2025. No.4 - The Directions to Local Health Boards as to the General Dental Services Statement of Financial Entitlements (Amendment) (No.2) Directions 2025	January 2025	This Ministerial Direction has been enacted.

2025. No.5 - The Directions to Local Health Boards as to the Personal Dental Services Statement of Financial Entitlements (Amendment) (No.2) Directions 2025	January 2025	This Ministerial Direction has been enacted.
2025. No.6 – Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) Directions 2025	February 2025	This Ministerial Direction has been enacted.
2025. No 7 - The Directions to Local Health Boards as to the General Dental Services Statement of Financial Entitlements (Amendment) (No.3) Directions 2025	February 2025	This Ministerial Direction has been enacted.
2025. No 8 -The Directions to Local Health Boards as to the Personal Dental Services Statement of Financial Entitlements (Amendment) (No.3) Directions 2025	February 2025	This Ministerial Direction has been enacted.

11.6 Remuneration and Staff Report

11.6.1 Remuneration Report

The Remuneration Report contains information about senior manager's remuneration. The definition of 'senior managers' is:

"Those persons in senior positions having authority or responsibility for directing or controlling the major activities of the NHS body. This means those who influence the decisions of the entity as a whole rather than the decisions of individual directorates or departments."

Remuneration and Terms of Service Committee (RTSC)

The RTSC will comment specifically upon the:

- remuneration and terms of service for the chief executive, executive directors, other very senior managers (VSMs) and others not covered by Agenda for Change; ensuring that the policies on remuneration and terms of service as determined from time to time by the Welsh Government are applied consistently;
- objectives for executive directors and other VSMs and their performance assessment;
- performance management systems in place for those in the positions mentioned above and its application;
- proposals to make additional payments to medical consultants outside of normal terms and conditions;
- proposals regarding termination arrangements, ensuring the proper calculation and scrutiny of termination payments in accordance with the relevant Welsh Government guidance;
- consideration and ratification of voluntary early release (VER) scheme applications and severance payments in respect of executive director posts, in line with standing orders and extant Welsh Government guidance. The committee will be advised also of all VER scheme applications and severance payments; and
- The approval of the Health Board's honours submission recommendations.

The membership of the RTSC committee during 2024/25 was as follows:

Name	Position	Role on RTSC
Judith Hardisty	Interim Chair until 31 May 2024	Chair until 31 May 2024
Neil Wooding	Chair from 1 June 2024	Chair from 1 June 2024
Rhodri Evans	Independent Member and Chair of ARAC	Vice-Chair
Anna Lewis	Independent Member and Chair of QSEC	Member
Maynard Davies	Independent Member and Chair of SDODC	Member

- **Independent members' remuneration**

Remuneration and tenures of appointment for independent members is decided by the Welsh Government.

- **Senior managers' remuneration**

The remuneration of senior managers who are paid on the very senior managers pay scale is determined by the Welsh Government and the Health Board pays in accordance with these regulations. For the purpose of clarity, these are posts which operate at board level and hold either statutory or non-statutory positions. In accordance with the regulations, the Health Board can award incremental uplift within the pay scale and, should an increase be considered outside the range, a job description is submitted to the Welsh Government for job evaluation. There are clear guidelines in place with regards to the awarding of additional increments and during the year there have not been any additional payments agreed. No changes to pay have been considered by the committee outside these arrangements. The Health Board does not have a system for performance related pay for its very senior managers.

The Health Board can confirm that it has not made any payment to past directors as detailed within the guidance.

The Health Board issues all Wales executive director contracts which determine the terms and conditions for all very senior managers. The Health Board has not deviated from this. In rare circumstances where interim arrangements are to be put in place a decision is made by the committee with regards to the length of the interim post, whilst substantive appointments can be made.

Any termination payments would be discussed and agreed by the committee in advance and where appropriate the Welsh Government's approval would be made. No termination payments were made during 2024/25 or the prior year, 2023/24.

Service contract details for senior managers:

Name	Position	Date of Contract	Date of Expiration	Compensation for early termination
Philip Kloer	Interim Chief Executive Officer	01/02/2024	21/10/2024	N/A
	Executive Medical Director/Deputy Chief Executive	22/10/2024	N/A	N/A
Lisa Gostling	Executive Director of Workforce and Organisational Development and Deputy Chief Executive Officer*	09/01/2015	N/A	N/A
Mark Henwood	Interim Executive Medical Director	05/02/2024	Until substantive appointment has been made**	

Sharon Daniel	Interim Executive Director of Nursing, Quality and Patient Experience	01/01/2024	Until substantive appointment has been made***	N/A
Ardiana Gjini	Executive Director of Public Health	01/07/2023	N/A	N/A
James Severs	Executive Director of Therapies and Health Science	06/11/2023	N/A	N/A
Huw Thomas	Executive Director of Finance	10/12/2018	N/A	N/A
Andrew Carruthers	Chief Operating Officer	01/12/2019	N/A	N/A
Lee Davies	Executive Director of Strategic Development and Operational Planning	26/04/2021	N/A	N/A
Joanne Wilson	Director of Corporate Governance/Board Secretary	01/01/2018	N/A	N/A
Jill Paterson	Director of Primary Care, Community and Long-Term Care	19/01/2018	N/A	N/A
Alwena Hughes Moakes	Communications and Engagement Director	01/03/2023	N/A	N/A

*Lisa Gostling was substantively appointed as Deputy Chief Executive Officer from 02/12/2024, after taking on the role on an interim basis from 10/02/2024.

**Welsh Government have agreed interim arrangements to continue until a substantive appointment is in post in 2024/25.

***Sharon Daniel was made substantive Director of Nursing, Quality and Patient Experience on 1 April 2025 after undertaking the role on an interim basis since 1 January 2024.

Other changes to Board membership are outlined in the Directors' Report.

- **Single total figure of remuneration**

The amount of pension benefits for the year which contributes to the single total figure is calculated similar to the method used to derive pension values for tax purposes and is based on information received from the NHS BSA Pensions Agency. The value of pension benefit is calculated as follows: (real increase in pension x 20) + (the real increase in any lump sum) – (contributions made by member).

The real increase in pension is not an amount which has been paid to an individual by the Health Board during the year, it is a calculation which uses information from the pension benefit table. These figures can be influenced by many factors such as changes in a person's salary, whether or not they choose to make additional contributions to the pension scheme from their pay, and other valuation factors affecting the pension scheme as a whole.

2024/25

Name and title	Full year equivalent salary (bands of £5,000)	Salary (bands of £5,000)	Bonus payments (bands of £5,000)	Taxable benefits in kind (to nearest £100)	Pension benefits (to nearest £1,000)	Total (bands of £5,000)
	£000	£000	£000	£000	£000	£000
Executive members and directors						
Lee Davies	150-155	150-155	0	0	71	225-230
Lisa Gostling	165-170	165-170	0	0	171	335-340
Phil Kloer	225-230	225-230	0	0	243	470-475
Andrew Carruthers	155-160	155-160	0	0	75	230-235
Huw Thomas	165-170	165-170	0	0	62	225-230
Jill Paterson	140-145	140-145	0	0	36	175-180
Joanne Wilson	135-140	135-140	0	0	101	235-240
Alwena Hughes-Moakes	105-110	105-110	0	0	28	135-140
Ardiana Gjini	130-135	130-135	0	4.9	57	195-200
James Severs	135-140	135-140	0	0	105	240-245
Mark Henwood	230-235	230-235	0	0	-	230-235
Sharon Daniel	155-160	155-160	0	0	388	540-545
Non-Officer Members						
Judith Hardisty (to 31/05/2024)	55-60	5-10	0	0.9	0	10-15
Delyth Raynsford (to 31/03/2025)	10-15	10-15	0	0	0	10-15
Anna Lewis	10-15	10-15	0	0.7	0	10-15
Maynard Davies	10-15	10-15	0	1.1	0	10-15
Ann Murphy	20-25	20-25	0	0.6	0	20-25
Iwan Thomas	10-15	10-15	0	0	0	10-15
Winston Weir	10-15	10-15	0	1.6	0	10-15
Chantal Patel	10-15	10-15	0	0	0	10-15
Cllr Rhodri Evans	10-15	10-15	0	0	0	10-15
Michael Imperato	10-15	10-15	0	1.5	0	10-15

Eleanor Marks	45-50	45-50	0	1.6	0	45-50
Neil Wooding (from 01/06/2024)	55-60	45-50	0	1.2	0	50-55

The full year equivalent salary for Mark Henwood consists of £190-195k in respect of duties as Interim Executive Medical Director and £40-45k protected pay attributable to clinical duties.

The salary of Ann Murphy consists of £5-10k in respect of duties as an Independent Board Member and £10-15k in respect of duties under a separate contract of employment as a trade union representative.

Lee Davies, Lisa Gostling, Andrew Carruthers, Huw Thomas, Jill Paterson and Mark Henwood participated in employee benefit schemes which enable employees to exchange an element of salary for a non-cash benefit by way of salary sacrifice. Such schemes are available to all employees. Resulting taxable benefits-in-kind (to the nearest £100) arising as a result of these employees' participation in these schemes are as follows:

- Lee Davies £900
- Lisa Gostling £2,200
- Andrew Carruthers £1,100
- Huw Thomas £1,100
- Jill Paterson £1,200
- Mark Henwood £1,400

These amounts are not included within the single total figure of remuneration table as salary is stated gross before the deduction of the related sacrificed salary.

The benefit-in-kind which arose to Ardiana Gjini related to the taxable reimbursement of relocation travel expenses.

The benefits-in-kind which arose to independent members related to the taxable reimbursement of travel expenses.

The pension benefits which accrued to Sharon Daniel in the year primarily reflected an uplift in Mrs Daniel's pension entitlement upon becoming a member of the Board during 2023/24. As Mrs Daniel joined the Board in the fourth quarter of 2023/24, the opening pension position at 31 March 2024 substantially reflected Mrs Daniel's salary prior to becoming a member of the Board, while the closing position at 31 March 2025 wholly reflected Mrs Daniel's board member salary. This has resulted in a large movement in pension entitlement from 31 March 2024 to 31 March 2025.

The pension benefits which accrued to Phil Kloer and Lisa Gostling in the year reflected an uplift in pension entitlement upon moving to a more senior position on the Board during 2023/24.

Mark Henwood did not participate in the NHS Pension Scheme during the reporting year. Accordingly, details of any pension benefits which accrued to Mr Henwood during the year are not available.

2023/24

Name	Full year equivalent salary (Bands of £5k)	Salary (Bands of £5k)	Bonus payments (Bands of £5k)	Benefits-in-kind (To nearest £100)	Pension benefits	Total (Bands of £5k)
	£000	£000	£000	£000	£000	£000
Executive members and directors						
Steve Moore (to 11/02/2024)	220-225	190-195	0	0	0	190-195
Mandy Rayani (to 31/12/2023)	150-155	110-115	0	0	0	110-115
Lee Davies	145-150	145-150	0	0	0	145-150
Lisa Gostling	150-155	150-155	0	0	0	150-155
Philip Kloer	200-205	200-205	0	0	0	200-205
Andrew Carruthers	150-155	150-155	0	0	0	150-155
Alison Shakeshaft (to 31/07/2023)	140-145	45-50	0	0	0	45-50
Huw Thomas	160-165	160-165	0	0	1	160-165
Jill Paterson	135-140	135-140	0	3.3	0	140-145
Joanne Wilson	125-130	125-130	0	0	0	125-130
Alwena Hughes-Moakes	100-105	100-105	0	0	24	125-130
Ardiana Gjini (from 01/07/2023)	130-135	95-100	0	0	12	105-110
James Severs (from 06/11/2023)	130-135	50-55	0	0	46	95-100
Mark Henwood (from 05/02/2024)	250-255	35-40	0	0	-	35-40
Sharon Daniel (from 01/01/2024)	145-150	35-40	0	0	-	35-40

Independent members						
Maria Battle (to 31/10/2023)	55-60	30-35	0	0.9	0	35-40
Judith Hardisty	50-55	50-55	0	3.3	0	55-60
Delyth Raynsford	10-15	10-15	0	0	0	10-15
Anna Lewis	10-15	10-15	0	0	0	10-15
Maynard Davies	10-15	10-15	0	0.9	0	10-15
Ann Murphy	15-20	15-20	0	0.5	0	15-20
Iwan Thomas	10-15	10-15	0	0	0	10-15
Winston Weir	10-15	10-15	0	0.1	0	10-15
Chantal Patel	10-15	10-15	0	0	0	10-15
Cllr Rhodri Evans	20-25	20-25	0	0	0	20-25
Michael Imperato (from 01/09/2023)	10-15	5-10	0	0.9	0	5-10
Eleanor Marks (from 01/02/2024)	45-50	5-10	0	0	0	5-10

The full year equivalent salary for Mark Henwood consists of £190-195k in respect of duties as Interim Executive Medical Director, £30-35k protected pay attributable to clinical duties and payments of £20-25k under the All-Wales Employer Pension Contributions Alternative Payment Policy. This policy enables employees who have opted out of the NHS Pension Scheme, on the basis that they would have been impacted by the pension tax annual allowance, to receive an alternative payment equivalent to the amount that the employer would have paid into the relevant NHS Pension Scheme had the employee remained a member.

The salary of Ann Murphy consists of £5-10k in respect of duties as an Independent Board Member and £10,600 in respect of duties under a separate contract of employment as a trade union representative.

The benefit-in-kind which arose in respect of Jill Paterson related to Miss Paterson’s part-year participation in a lease car scheme available to all employees whereby an employee makes payments from net pay in exchange for the private use of a lease car.

Steve Moore, Lee Davies, Andrew Carruthers, Huw Thomas, Jill Paterson and Mark Henwood participated in a salary sacrifice scheme available to all employees whereby an element of an employee’s salary is 'swapped' for the use of a car. Resulting taxable benefits-in-kind (to the nearest £100) arising as a result of these employees’ participation in the scheme are as follows:

- Steve Moore £1,400
- Lee Davies £900
- Andrew Carruthers £1,100
- Huw Thomas £1,000
- Jill Paterson £700 (part-year participation)
- Mark Henwood £243 (part-year participation)

These amounts are not included within the single total figure of remuneration table as salary is stated gross before the deduction of the related sacrificed salary.

The benefits-in-kind which arose to independent members related to the taxable reimbursement of travel expenses.

Details regarding the pension position of Sharon Daniel at 31 March 2023 have not been received. As a consequence, it has not been possible to calculate the pension benefits accrued during the year in respect of this individual.

Mark Henwood did not participate in the NHS Pension Scheme during the reporting year.

- **Remuneration relationship**

The details of the remuneration relationship are reported in the financial statements in section 9.6.

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director in their organisation and the median remuneration of the organisation's workforce.

The 2024/25 financial year is the fourth year that disclosures in respect of:

- the 25th percentile pay ratio and 75th percentile pay ratio are required including the requirements for prior year comparatives;
- the percentage change in the remuneration of the highest paid director or minister and the percentage change in the remuneration of the employees of the entity taken as a whole are required.

The banded remuneration of the highest-paid director in the Health Board in the financial year 2024/25 was £225,000 - £230,000 (2023/24: £220,000 - £225,000). This was seven times (2023/24: eight times) the median remuneration of the workforce, which was £32,002 (2023/24: £28,834).

In 2024/25, 39 (2023/24:35) employees received remuneration in excess of the highest paid director. Remuneration for staff ranged from £23,970 to £353,573 (2023/24: £22,123 to £451,381). The staff who received remuneration greater than the highest paid director are all medical and dental who have assumed additional responsibilities to their standard job plan commitments and in some cases medical managerial roles, necessitating extra payment.

	2024/25	2023/24
Band of highest paid director's total remuneration £000	225-230	220 - 225
Median total remuneration £000	32	29
Median ratio	7.13:1	7.69:1

25th percentile pay £000	24	23
25th percentile pay ratio	9.50:1	9.70:1
75th percentile pay £000	47	43
75th percentile pay ratio	4.85:1	5.19:1

The percentage change in the remuneration of the highest paid director was 2% (2023/24: 7%) and the percentage change in the remuneration of the employees of the organisation taken as a whole was 11% (2023/24: 0%).

* As disclosed in the Health Board's Annual Accounts Note 9.6.

Total remuneration includes salary, non-consolidated performance-related pay, and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

- **Pensions benefits disclosure**

Name and title	Total accrued pension at pension age at 31 March 2025 (bands of £5,000) £000	Lump sum at pension age related to accrued pension at 31 March 2025 (bands of £5,000) £000	Real increase in pension at age (bands of £2,500) £000	Real increase in pension lump sum at pension aged (bands of £2,500) £000	Cash Equivalent Transfer Value at 31 March 2025 £000	Cash Equivalent Transfer Value at 31 March 2024 £000	Real increase in Cash Equivalent Transfer Value £000
Lee Davies	40-45	105-110	2.5-5	2.5-5	836	713	57
Lisa Gostling	65-70	180-185	7.5-10	15-17.5	1,647	1,347	189
Phil Kloer	80-85	215-220	10-12.5	22.5-25	1,937	1,549	255
Andrew Carruthers	45-50	110-115	2.5-5	2.5-5	906	772	64
Huw Thomas	35-40	5-10	2.5-5	0-2.5	549	458	41
Jill Paterson	55-60	155-160	2.5-5	0	-	313	-
Joanne Wilson	40-45	100-105	5-7.5	7.5-10	854	699	91
Alwena Hughes-Moakes	5-10	0	0-2.5	0	93	58	17
Ardiana Gjini	30-35	80-85	2.5-5	2.5-5	769	653	56
James Severs	30-35	0	5-7.5	0	384	286	61
Mark Henwood	-	-	-	-	-	-	-
Sharon Daniel	70-75	190-195	17.5-20	45-47.5	1,722	1,192	431

A Cash Equivalent Transfer Value (CETV) is not available in respect of pension scheme members over normal pension age.

Mark Henwood did not participate in the NHS Pension Scheme during the reporting year. Accordingly, details of the position of Mr Henwood's pension are not available.

The pension benefits which accrued to Sharon Daniel in the year primarily reflected an uplift in Mrs Daniel's pension entitlement upon becoming a member of the Board during 2023/24. As Mrs Daniel joined the Board in the fourth quarter of 2023/24, the opening pension position at 31 March 2024 substantially reflected Mrs Daniel's salary prior to becoming a member of the Board, while the closing position at 31 March 2025 wholly reflected Mrs Daniel's board member salary. This has resulted in a large movement in pension entitlement from 31 March 2024 to 31 March 2025.

The pension benefits which accrued to Phil Kloer and Lisa Gostling in the year reflected an uplift in pension entitlement upon moving to a more senior position on the Board during 2023/24.

11.6.2 Staff Report

- **Staff numbers**

As of 31 March 2025, the Health Board employed 13,359 staff including bank and locum staff; this equated to 10,525.37 full time equivalent (FTE). The numbers (headcount) of female and male Board members and employees are as follows:

	Female	Male	Total
Board Members	11	12	**23**
Employees	10,561	2,775	**13,336**
Total	10,572	2,787	13,359

*Included in the Board Members figures are three additional directors (all non-voting) who are members of the Executive Team and attend Board meetings.

	Female		Male		Total	
	FTE	Head count	FTE	Head count	FTE	Head count
Executive Team	6.00	6	6.00	6	12.00	12
Independent Members	4.20	5	6.00	6	10.20	11
Total	10.20	11	12.00	12	22.20	23

Staff composition as at 31 March 2025

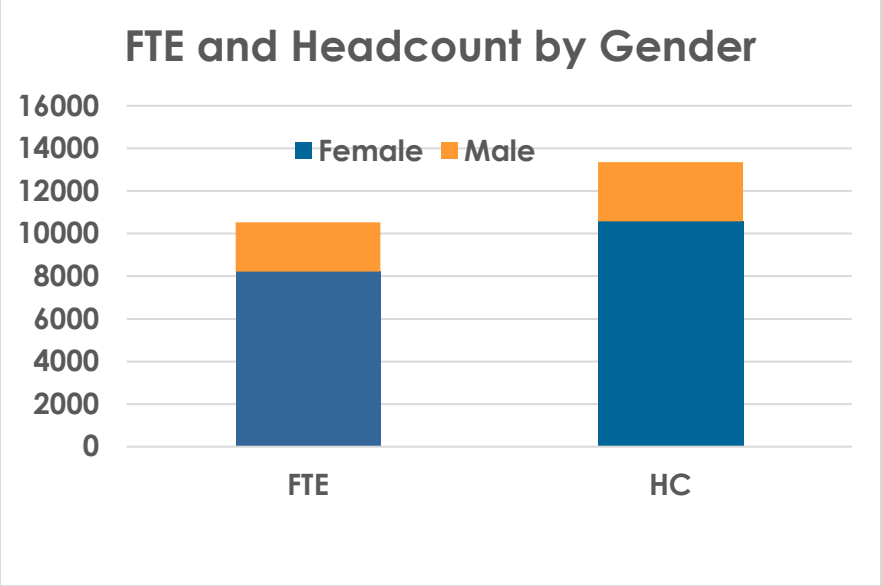
	Female		Male		Total	
	FTE	Head count	FTE	Head count	FTE	Head count
Add Prof Scientific and Technic	286.01	334	89.61	101	375.63	435
Additional Clinical Services	1,837.62	2,652	388.81	498	2,226.43	3,150
Administrative and Clerical	1,727.80	1,993	415.19	437	2,142.99	2,430
Allied Health Professionals	565.10	676	170.59	194	735.68	870
Estates and Ancillary	390.44	643	416.50	535	806.94	1,178
Healthcare Scientists	102.44	114	95.10	101	197.54	215
Medical and Dental	234.43	331	453.38	603	687.81	934
Nursing and Midwifery Registered	3,077.21	3,828	274.55	318	3,351.76	4,146
Students	0.60	1			0.60	1
Total	8,221.64	10,572	2,303.73	2,787	10,525.37	13,359

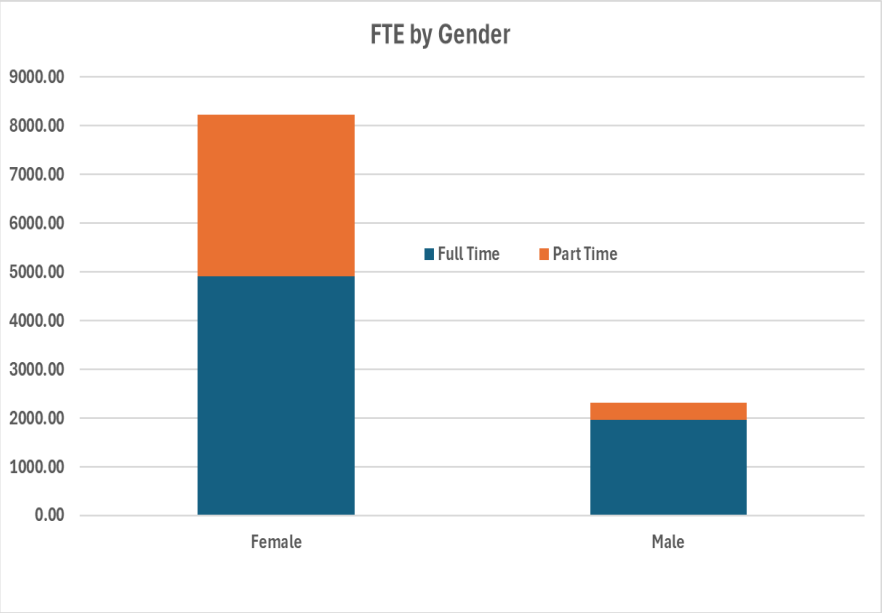
At the end of March 2025, the Health Board employed 13,359 staff including bank and locum staff; this equated to 10,525.37 Full Time Equivalents (FTE). 78% of the workforce was female by FTE and 22% male. The staff covered a wide range of professional, technical and support staff groups. Over 50% (by headcount and FTE) were within the nursing and midwifery, and additional clinical services staff groups. Senior manager (administrative and clerical Band 8a and above) were 1.83% of the workforce by headcount - 62% of these by FTE were female and 38% male. The Board does not have any issue with its staff composition

Senior Managers are administrative and clerical staff (Bands 8a to 9)

	Female		Male		Total	
	FTE	Head count	FTE	Head count	FTE	Head count
Band 8a	63.85	65	39.85	40	103.71	105
Band 8b	49.32	52	19.75	20	69.07	72
Band 8c	13.60	15	18.00	18	31.60	33
Band 8d	13.00	13	3.21	4	16.21	17
Band 9	7.00	7	9.60	10	16.60	17
Total	146.77	152	90.42	92	237.19	244

The Health Board has not raised any concerns about the staff composition but has noted the differentials in Band 8c and 9 in terms of gender split.





- **Staff sickness data**

The following table provides information on the number of days lost due to sickness:

	2024/25	2023/24
Days lost (long term)	173,580.94	159,408.83
Days lost (short term)	77,689.29	78,522.61
Total days lost	251,270.23	237,931.44
Total Staff Years as of 31 March	10,423.72	10,319.29
Average Working Days Lost	15.07	14.38
Total Staff employed as of 31 March (headcount)	13,359	13,291
Total Staff employed in period with no absence (headcount)	3,513	3,944
Percentage of staff with no sick leave	29.12%	33.04%

Despite significant effort, the Health Board has been unable to meet its aim of reducing sickness absence to meet the national target of 4.79%, with overall sickness rates hovering around 6.5% since May 2024. Data for January 2025 indicates that the all Wales average at that time was 6.3% whereas Hywel Dda rates were 6.68%.

Anxiety, stress and depression continue to account for the highest proportion of long term absence across most of our directorates, with cough, colds and flu accounting for the highest proportion of short term absence. This year has seen a significant increase in the number of stress risk

assessments being completed which is enables us to build a better picture of the various factors at play.

A programme of work is underway to review service areas with high sickness rates and provide targeted support from the workforce team to support managers in understanding the sickness absence process and how best to support their staff.

- **Staff policies**

The operational workforce team review of our local employment policies on a three-yearly cycle. The reviews continue to focus on the individual at the centre of the matter, align with Health Board strategic priorities and promote widespread engagement in both the review of existing and the formulation of new policies.

During 2024/25, nine local policy reviews were completed:

- Four were reviewed and approved
- Two were removed (one was removed as it was already defined in the Terms and Conditions Handbook and the other was incorporated into a new all Wales policy)
- Three reviews remain work in progress due to the cancellation or timing of committee meetings for their approval
- One local review was not undertaken as this policy is in the process of being reviewed at an all-Wales level. Once agreed at the All-Wales Partnership Forum Business Committee it will be put forward for adoption and then replace our existing local policy
- Four all-Wales policies were also adopted by the Health Board as was the SAS (specialist, associate specialist and specialty doctors) Charter. The charter includes good practice around medical contracts, job planning, support and recruitment

Our trade union representatives continue to support our approach to policy review and continue to be integral to it. As part of our approach to social partnership working with our trade union colleagues, one of our local policies (industrial injury) now includes a union representative as part of a decision-making panel.

As part of the local review of policies in 2023/24, the Health Board agreed a ten year pledge to reduce all our local policies to five pages or less (excluding the corporate governance requirements that are standard to each policy) to make them easier for staff to follow and be more principles led than prescriptive in approach. We started 2024/25 with 73% of our local policies meeting this pledge and ended 2024/25 increasing our compliance to 77%.

- **Trade union relationships**

In preparation for the Social Partnership Duty legislation which came into effect on 1 April 2024, we worked with our trade union colleagues to better understand the legislation and how we could implement the legislation to best effect.

As well as ensuring that the Social Partnership Duty was considered as part of reports to various committee meetings, an update on the legislation was given to the Executive Team. Our public health team are also working with our trade union colleagues on the refresh of the Health Board's well-being objectives under the Well-being of Future Generations (Wales) Act 2015.

We jointly attended the Welsh Government Social Partnership event held in Cardiff in September 2023. This provided us with a positive opportunity for us to focus on what social partnership working means for us. We were also invited by Welsh Government to present a joint workshop at the Swansea Social Partnership event in July 2024 on the benefits of social partnership working in Hywel Dda and were able to demonstrate that we were already meeting some aspects of the legislation. The feedback received from Welsh Government was that the workshop was well received by those attending from across the public sector in Wales.

We continue to build on the good work undertaken over the last couple of years with our trade union colleagues and have separated out strategic and operational discussions into distinct pathways which enable issues to be considered and resolved in a more streamlined manner and at the appropriate level.

The Health Board and trade unions continue to work closely on policy work and their contribution continues to be of critical importance to us. We are also building on the structure of our agenda setting with all our trade union colleagues including those representing our medical and dental workforce via the Local Negotiating Committee.

- **Expenditure of consultancy and temporary staff**

Consultancy services are a provision for management to receive objective advice and assistance relating to strategy, structure, management or operations of an organisation in pursuant of its purposes and objectives. During the year the Health Board spent £72,446 (2023/24: £410,255) on consultancy services as follows:

Transforming clinical services	£15,296
Other service reviews/advice	£57,150

Expenditure on temporary staff during 2024/25 amounted to £12,320,179 (2023/24: £28,389,767), including £11,069,567 (2023/24: £26,963,051) in respect of registered nurses.

- **Tax assurance for off-payroll appointees**

In response to the Welsh Government's review of the tax arrangements of public sector appointees, which highlighted the possibility for artificial arrangements to enable tax avoidance, the Welsh Government has taken a zero tolerance approach and produced a policy that has been communicated and implemented. Tax assurance evidence has been sought and scrutinised to ensure it is sufficient from all off-payroll appointees. Details of these off-payroll arrangements will be published on the Health Board's website following publication of the Annual Report.

Table 1: Highly paid off-payroll worker engagements as at 31 March 2025, earning £245 per day or greater.

Number (No.) of existing engagements as of 31 March 2025	**0**
Of which, no. that existed:	
for less than 1 year	0

for between 1 and 2 years	0
for between 2 and 3 years	0
for between 3 and 4 years	0
for 4 or more years	0

All existing off-payroll engagements, outlined above, have been subject to a risk-based assessment as to whether assurance is required that the individual is paying the right amount of tax, and where necessary, that assurance has been sought.

Table 2: All highly paid off-payroll workers engaged at any point during the year ended 31 March 2025, earning £245 per day or greater

No. of temporary off-payroll workers engaged during the year ended 31 March 2025	**0**
Of which...	
Not subject to off-payroll legislation	0
Subject to off-payroll legislation and determined as in-scope of IR35	0
Subject to off-payroll legislation and determined as out-of-scope of IR35	0
No. of engagements reassessed for compliance or assurance purposes during the year	0
Of which: No. of engagements that saw a change to IR35 status following review	0

Table 3: For any off-payroll engagements of Board members and/or senior officials with significant financial responsibility, between 1 April 2024 and 31 March 2025

No. of off-payroll engagements of Board members, and /or, senior officials with significant financial responsibility, during the financial year.	0
Total no. of individuals on payroll and off-payroll that have been deemed 'Board members and/or senior officials with significant financial responsibility' during the financial year. This figure should include both on payroll and off- payroll engagements.	24

- **Exit packages**

There have not been any costs associated with redundancy in the last year. Redundancy and other departure costs have been paid in accordance with the provisions of the NHS voluntary early release scheme (VERS). No exit costs were paid in 2024/25 in relation to settlement claims, the year of departure (2023/24: £4,000). The exit costs detailed below are accounted for in full in the year of departure on a cash basis as specified in EPN 380 Annex 13C.

Where the Health Board has agreed voluntary early retirement, the additional costs are met by the Health Board and not by the NHS Pension Scheme. Ill-health retirement costs are met by the NHS Pension Scheme and are not included in the table below. This disclosure reports the number and value of exit packages taken by staff leaving in the year. Note: the expense associated with these departures may have been recognised in part or in full in a previous period.

The Health Board receives a full business case in respect of each application supported by the line manager. The Executive Director of Finance and Executive Director of Workforce and Organisational Development approve all applications prior to them being processed. Any payments over an agreed threshold are also submitted to the Welsh Government for approval prior to Health Board approval.

Details of exit packages and severance payments are as follows:

	2024/25	2024/25	2024/25	2024/25	2023/24
Exit packages cost band (including any special payment element)	Number of compulsory redundancies	Number of other departures	Total number of exit packages	Number of departures where special payments have been made	Total number of exit packages
	Number	Number	Number	Number	Number
less than £10,000	0	0	0	0	1
£10,000 to £25,000	0	0	0	0	0
£25,000 to £50,000	0	0	0	0	0
£50,000 to £100,000	0	0	0	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**1**

	2024/25	2024/25	2024/25	2024/25	2023/24
Exit packages cost band (including any special payment element)	Cost of compulsory redundancies	Cost of other departures	Total cost of exit packages	Cost of special element included in exit packages	Total cost of exit packages
	£'s	£'s	£'s	£'s	£'s
less than £10,000	0	0	0	0	4,000
£10,000 to £25,000	0	0	0	0	0
£25,000 to £50,000	0	0	0	0	0
£50,000 to £100,000	0	0	0	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**4,000**

11.7 Senedd Cymru/Welsh Parliament Accountability and Audit Report

- **Regularity of expenditure**

Common with the public sector in general the Health Board continued to face exceptional challenges in 2024/25. The Health Board has a financial duty to break even over a three-year period, but it has not been able to deliver this balanced position. The expenditure of £149m which it has incurred in excess of its resource limit over that three-year period is deemed to be irregular, as is the 2024/25 expenditure in excess of its resource limit, which amounted to £24m. The Health Board will continue to identify efficiency and cost reduction measures in order to mitigate against future cost and service pressures and to establish financial balance in due course.

- **Fees and charges**

The Health Board levies charges or fees on its patients in a number of areas. Where the Health Board makes such charges or fees, it does so in accordance with relevant Welsh health circulars and charging guidance.

Charges are generally made on a full cost basis. None of the items for which charges are made are by themselves material to the Health Board, however, details of some of the larger items (dental fees, private and overseas patient income) are disclosed within Note 4 of the Annual Accounts.

- **Managing public money**

This is the required statement for public sector information holders. In line with other Welsh NHS bodies, the Health Board has developed standing financial instructions which enforce the principles outlined in HM Treasury on managing public money. As a result, the Health Board confirms it has complied with cost allocation and the charging requirements set out in HM Treasury guidance during the year.

- **Material remote contingent liabilities**

Remote contingent liabilities are those liabilities which due to the unlikelihood of a resultant charge against the Health Board are therefore not recognised as an expense nor as a contingent liability. Detailed below are the remote contingent liabilities as of 31 March 2025:

	2024/25	2023/24
	£000s	£000s
Guarantees	0	0
Indemnities*	1,412	300
Letters of Comfort	0	0
Total	1,412	300

* Indemnities include clinical negligence and personal injury claims against the Health Board. Where these claims progress, the majority of the costs incurred (in excess of the £25k per claim attributable to the Health Board) will be recovered from the Welsh Risk Pool. The above amounts represent the remote contingent liabilities prior to any recovery of costs from the Welsh Risk Pool.

11.8 The Certificate of the Auditor General for Wales to the Senedd

Opinion on financial statements

I certify that I have audited the financial statements of Hywel Dda University Health Board (the Health Board) for the year ended 31 March 2025 under Section 61 of the Public Audit (Wales) Act 2004.

These comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Cash Flow Statement and Statement of Changes in Taxpayers' Equity and related notes, including a summary of material accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual.

In my opinion, in all material respects, the financial statements:

- give a true and fair view of the state of affairs of Hywel Dda University Health Board as at 31 March 2025 and of its net operating costs for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual; and
- have been properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made there under by Welsh Ministers.

Opinion on regularity

In my opinion, except for the matter(s) described in the Basis for Qualified Regularity Opinion section of my report, in all material respects, the expenditure and income in the financial statements have been applied to the purposes intended by the Senedd and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for Qualified Opinion on regularity

I have qualified my opinion on the regularity of the Hywel Dda University Health Board's financial statements because the Health Board has breached its resource limit by spending £148.998 million over the amount that it was authorised to spend in the three-year period 2022-2023 to 2024-2025. This spend constitutes irregular expenditure.

Further detail is set out in my Report on page 217.

Basis for opinions

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of financial statements and regularity of public sector bodies in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my certificate.

My staff and I are independent of the Board in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for Hywel Dda University Health Board is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

Other information

The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. The Chief Executive is responsible for the other information contained within the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon. My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion, the part of the remuneration report to be audited has been properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made there under by Welsh Ministers.

In my opinion, based on the work undertaken in the course of my audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made there under by Welsh Minsters' directions; and;
- the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with Welsh Ministers' guidance.

Matters on which I report by exception

In the light of the knowledge and understanding of the Health Board and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Accountability Report.

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

- I have not received all the information and explanations I require for my audit;
- adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by my team;
- the financial statements and the audited part of the Accountability Report are not in agreement with the accounting records and returns;
- information specified by HM Treasury or Welsh Ministers regarding remuneration and other transactions is not disclosed;
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual are not made or parts of the Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of Directors and the Chief Executive for the financial statements

As explained more fully in the Statements of Directors' and Chief Executive's Responsibilities set out on page 120, the Directors and the Chief Executive are responsible for:

- maintaining adequate accounting records
- the preparation of financial statements and annual report in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- ensuring that the annual report and financial statements as a whole are fair, balanced and understandable;
- ensuring the regularity of financial transactions;
- internal controls as the Directors and Chief Executive determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- assessing the Health Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors and Chief Executive anticipate that the services provided by the Health Board will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the National Health Service (Wales) Act 2006.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- Enquiring of management, the Head of Internal Audit and those charged with governance, including obtaining and reviewing supporting documentation relating to Hywel Dda University Health Board's policies and procedures concerned with:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: management override of controls and posting of unusual journals.
- Obtaining an understanding of Health Board's framework of authority as well as other legal and regulatory frameworks that the Health Board operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of Health Board.
- Obtaining an understanding of related party relationships.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Audit Risk and Assurance Committee and legal advisors about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance and the Board;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the Health Board's controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Other auditor's responsibilities

I am also required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Senedd and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report

Please see my Report on page 217.

Adrian Crompton

Auditor General for Wales

27 June 2025

1 Capital Quarter

Tyndall Street

Cardiff

CF10 4BZ

11.9 Report of the Auditor General to the Senedd

Introduction

Under the Public Audit Wales Act 2004, I am responsible for auditing, certifying and reporting on Hywel Dda University Health Board's (the Health Board's) financial statements. I am reporting on these financial statements for the year ended 31 March 2025 to draw attention to two key matters for my audit. These are the failure against the first financial duty and consequential qualification of my 'regularity' opinion and the failure of the second financial duty. I have not qualified my 'true and fair' opinion in respect of any of these matters.

Financial duties

Health Boards are required to meet two statutory financial duties – known as the first and second financial duties.

For 2024-25, the Health Board failed to meet both the first and the second financial duty.

Failure of the first financial duty

The **first financial duty** gives additional flexibility to Health Board's by allowing them to balance their income with their expenditure over a three-year rolling period. The three-year period being measured under this duty this year is 2022-2023 to 2024-2025.

As shown in Note 2.1 to the Financial Statements, the Health Board did not manage its revenue expenditure within its resource allocation over this three-year period, exceeding its cumulative revenue resource limit of £3,631.395 million by £148.998 million.

Where a Health Board does not balance its books over a rolling three-year period, any expenditure over the resource allocation (ie spending limit) for those three years exceeds the Health Board's authority to spend and is therefore 'irregular'. In such circumstances, I am required to qualify my 'regularity opinion' irrespective of the value of the excess spend.

Failure of the second financial duty

The **second financial duty** requires Health Board's to prepare and have approved by the Welsh Ministers a rolling three-year integrated medium-term plan. This duty is an essential foundation to the delivery of sustainable quality health services. A Health Board will be deemed to have met this duty for 2024-25 if it submitted a 2024-25 to 2026-27 plan approved by its Board to the Welsh Ministers, who were required to review and consider approval of the plan.

As shown in Note 2.3 to the Financial Statements, the Health Board did not meet its second financial duty to have an approved three-year integrated medium-term plan in place for the period 2024-25 to 2026-27.

Adrian Crompton

Auditor General for Wales

27 June 2025

GIG CYMRU NHS WALES
Bwrdd Iechyd Prifysgol
Hywel Dda
University Health Board

Rhan 3:
Rheoli ein hadnoddau

Part 3:
Managing our resources

2024/2025

HYWEL DDA UNIVERSITY LOCAL HEALTH BOARD

FOREWORD

These accounts have been prepared by the Local Health Board under schedule 9 section 178 Para 3(1) of the National Health Service (Wales) Act 2006 (c.42) in the form in which the Welsh Ministers have, with the approval of the Treasury, directed.

Statutory background

The Local Health Board was established on 1 June 2009 and became operational on 1 October 2009 and comprises the former organisations of Hywel Dda NHS Trust and Carmarthenshire, Ceredigion and Pembrokeshire Local Health Boards.

Performance Management and Financial Results

Welsh Health Circular WHC/2016/054 replaces WHC/2015/014 'Statutory and Administrative Financial Duties of NHS Trusts and Local Health Boards' and further clarifies the statutory financial duties of NHS Wales bodies and is effective for 2024-25. The annual financial duty has been revoked and the statutory breakeven duty has reverted to a three year duty, with the first assessment of this duty in 2016-17.

Local Health Boards in Wales must comply fully with the Treasury's Financial Reporting Manual to the extent that it is applicable to them. As a result, the primary statement of in-year income and expenditure is the Statement of Comprehensive Net Expenditure, which shows the net operating cost incurred by the Local Health Board which is funded by the Welsh Government. This funding is allocated on receipt directly to the General Fund in the Statement of Financial Position.

Under the National Health Services Finance (Wales) Act 2014, the annual requirement to achieve balance against Resource Limits has been replaced with a duty to ensure, in a rolling 3 year period, that its aggregate expenditure does not exceed its aggregate approved limits.

The Act came into effect from 1 April 2014 and under the Act the first assessment of the 3 year rolling financial duty took place at the end of 2016-17.

Statement of Comprehensive Net Expenditure for the year ended 31 March 2025

	Note	2024-25 £000	2023-24 £000
Expenditure on Primary Healthcare Services	3.1	**231,506**	223,827
Expenditure on healthcare from other providers	3.2	**293,175**	275,025
Expenditure on Hospital and Community Health Services	3.3	**908,884**	839,854
		1,433,565	1,338,706
Less: Miscellaneous Income	4	**(78,260)**	(74,323)
LHB net operating costs before interest and other gains and losses		**1,355,305**	1,264,383
Investment Revenue	5	**(10)**	(11)
Other (Gains) / Losses	6	**(22)**	(17)
Finance costs	7	**217**	183
Net operating costs for the financial year		**1,355,490**	**1,264,538**

Details of the Health Board's performance against its revenue and capital allocations over the last three financial periods are provided in Note 2 on page 27.

The notes on pages 8 to 76 form part of these accounts.

Other Comprehensive Net Expenditure

	2024-25 £000	2023-24 £000
Net (gain) / loss on revaluation of property, plant and equipment	**(4,459)**	(7,425)
Net (gain)/loss on revaluation of right of use assets	**0**	0
Net (gain) / loss on revaluation of intangibles	**0**	0
(Gain) / loss on other reserves	**0**	0
Net (gain)/ loss on revaluation of PPE & Intangible assets held for sale	**0**	0
Net (gain)/loss on revaluation of financial assets held for sale	**0**	0
Impairment and reversals	**0**	0
Transfers between reserves	**0**	0
Transfers to / (from) other bodies within the Resource Accounting Boundary	**0**	0
Reclassification adjustment on disposal of available for sale financial assets	**0**	0
Other comprehensive net expenditure for the year	**(4,459)**	(7,425)
Total comprehensive net expenditure for the year	**1,351,031**	1,257,113

The notes on pages 8 to 76 form part of these accounts.

Statement of Financial Position as at 31 March 2025

	Notes	31 March 2025 £000	31 March 2024 £000
Non-current assets			
Property, plant and equipment	11	**366,882**	369,729
Right of Use Assets	11.3	**10,189**	8,967
Intangible assets	12	**1,952**	2,422
Trade and other receivables	15	**59,122**	54,664
Other financial assets	16	**826**	974
Total non-current assets		**438,971**	436,756
Current assets			
Inventories	14.1	**12,475**	11,616
Trade and other receivables	15	**68,508**	76,429
Other financial assets	16	**148**	147
Cash and cash equivalents	17	**3,943**	2,141
		85,074	90,333
Non-current assets classified as "Held for Sale"	11.2	**0**	0
Total current assets		**85,074**	90,333
Total assets		**524,045**	527,089
Current liabilities			
Trade and other payables	18	**(162,040)**	(180,188)
Other financial liabilities	19	**0**	0
Provisions	20	**(33,839)**	(27,370)
Total current liabilities		**(195,879)**	(207,558)
Net current assets/ (liabilities)		**(110,805)**	(117,225)
Non-current liabilities			
Trade and other payables	18	**(6,837)**	(7,798)
Other financial liabilities	19	**0**	0
Provisions	20	**(61,742)**	(53,014)
Total non-current liabilities		**(68,579)**	(60,812)
Total assets employed		**259,587**	258,719
Financed by :			
Taxpayers' equity			
General Fund		**198,951**	194,091
Revaluation reserve		**60,636**	64,628
Total taxpayers' equity		**259,587**	258,719

The financial statements on pages 2 to 7 were approved by the Board on 26 June 2025 and signed on its behalf by:

Chief Executive and Accountable Officer ..... Date: 26 June 2025

The notes on pages 8 to 76 form part of these accounts.

Statement of Changes in Taxpayers' Equity
For the year ended 31 March 2025

	General Fund £000	Revaluation Reserve £000	Total Reserves £000
Changes in taxpayers' equity for 2024-25			
Balance as at 31 March 2024	194,091	64,628	**258,719**
NHS Wales Transfer	0	0	**0**
RoU Asset Transitioning Adjustment	0	0	**0**
Impact of IFRS 16 on PPP/PFI Liability	0	0	**0**
Balance at 1 April 2024	194,091	64,628	**258,719**
Net operating cost for the year	(1,355,490)		**(1,355,490)**
Net gain/(loss) on revaluation of property, plant and equipment	0	4,459	**4,459**
Net gain/(loss) on revaluation of right of use assets	0	0	**0**
Net gain/(loss) on revaluation of intangible assets	0	0	**0**
Net gain/(loss) on revaluation of financial assets	0	0	**0**
Net gain/(loss) on revaluation of assets held for sale	0	0	**0**
Impairments and reversals	0	0	**0**
Other Reserve Movement	0	0	**0**
Transfers between reserves	8,451	(8,451)	**0**
Release of reserves to SoCNE	0	0	**0**
Transfers to/from LHBs	0	0	**0**
Total recognised income and expense for 2024-25	(1,347,039)	(3,992)	**(1,351,031)**
Net Welsh Government funding	1,311,572		**1,311,572**
Notional Welsh Government Funding	40,327		**40,327**
Balance at 31 March 2025	198,951	60,636	**259,587**

Notional Welsh Government funding line includes 9.4% staff employer pension and Pensions Annual Allowance Charge Compensation Scheme (PAACCS) costs paid centrally by Welsh Government.
The Department of Health and Social Care (DHSC) 2023-24 consultation on the NHS Pension Scheme confirmed that the transitional approach that has operated since 2019-20 for employer contributions will continue in 2024-25. From 1 April 2024 an employer rate of 23.7% (23.78% inclusive of the administration charge) will apply. However, the NHS Business Services Authority will continue to only collect 14.38% from NHS Wales employers under their normal monthly payment process to the NHS Pension Scheme. This has resulted in an increase in the central payments made by Welsh Government from 6.3% to 9.4%.

Notional Welsh Government funding split:

Notional 9.4% staff employer pension £40,322,000
Pensions Annual Allowance Charge Compensation Scheme (PAACCS) £5,000

The notes on pages 8 to 76 form part of these accounts.

Statement of Changes in Taxpayers' Equity
For the year ended 31 March 2024

	General Fund £000	Revaluation Reserve £000	Total Reserves £000
Changes in taxpayers' equity for 2023-24			
Balance at 31 March 2023	174,600	58,466	**233,066**
NHS Wales Transfer	0	0	**0**
RoU Asset Transitioning Adjustment	0	0	**0**
Balance at 1 April 2023	174,600	58,466	**233,066**
Net operating cost for the year	(1,264,538)		**(1,264,538)**
Net gain/(loss) on revaluation of property, plant and equipment	0	7,425	**7,425**
Net gain/(loss) on revaluation of right of use assets	0	0	**0**
Net gain/(loss) on revaluation of intangible assets	0	0	**0**
Net gain/(loss) on revaluation of financial assets	0	0	**0**
Net gain/(loss) on revaluation of assets held for sale	0	0	**0**
Impairments and reversals	0	0	**0**
Other reserve movement	0	0	**0**
Transfers between reserves	1,263	(1,263)	**0**
Release of reserves to SoCNE	0	0	**0**
Transfers to/from LHBs	0	0	**0**
Total recognised income and expense for 2023-24	(1,263,275)	6,162	**(1,257,113)**
Net Welsh Government funding	1,257,707		**1,257,707**
Notional Welsh Government Funding	25,059		**25,059**
Balance at 31 March 2024	194,091	64,628	**258,719**

Notional Welsh Government funding line includes the 6.3% staff employer pension and Pensions Annual Allowance Charge Compensation Scheme (PAACCS) costs paid centrally by Welsh Government.

Notional Welsh Government funding split;
Notional 6.3% staff employer pension £25,057,000
Pensions Annual Allowance Charge Compensation Scheme (PAACCS) £2,000

The notes on pages 8 to 76 form part of these accounts.

Statement of Cash Flows for year ended 31 March 2025

	Notes	2024-25 £000	2023-24 £000
Cash Flows from operating activities			
Net operating cost for the financial year		**(1,355,490)**	(1,264,538)
Movements in Working Capital	27	**(15,543)**	(2,714)
Other cash flow adjustments	28	**114,249**	63,565
Provisions utilised	20	**(9,450)**	(8,331)
Net cash outflow from operating activities		**(1,266,234)**	(1,212,018)
Cash Flows from investing activities			
Purchase of property, plant and equipment		**(40,060)**	(45,092)
Proceeds from disposal of property, plant and equipment		**54**	78
Purchase of intangible assets		**(1,176)**	(327)
Proceeds from disposal of intangible assets		**0**	0
Payment for other financial assets		**0**	0
Proceeds from disposal of other financial assets		**0**	0
Payment for other assets		**0**	0
Proceeds from disposal of other assets		**0**	0
Net cash inflow/(outflow) from investing activities		**(41,182)**	(45,341)
Net cash inflow/(outflow) before financing		**(1,307,416)**	(1,257,359)
Cash Flows from financing activities			
Welsh Government funding (including capital)		**1,311,572**	1,257,707
Capital receipts surrendered		**0**	0
Capital grants received		**0**	0
Capital element of payments in respect of finance leases and on-SoFP PFI Schemes		**0**	0
Capital element of payments in respect of on-SoFP PFI		**0**	0
Capital element of payments in respect of Right of Use Assets		**(2,354)**	(2,151)
Cash transferred (to)/ from other NHS bodies		**0**	0
Net financing		**1,309,218**	1,255,556
Net increase/(decrease) in cash and cash equivalents		**1,802**	(1,803)
Cash and cash equivalents (and bank overdrafts) at 1 April 2024		**2,141**	3,944
Cash and cash equivalents (and bank overdrafts) at 31 March 2025		**3,943**	2,141

The notes on pages 8 to 76 form part of these accounts.

Notes to the Accounts

1. Accounting policies

The Minister for Health and Social Services has directed that the financial statements of Local Health Boards (LHBs) in Wales shall meet the accounting requirements of the NHS Wales Manual for Accounts. Consequently, the following financial statements have been prepared in accordance with the 2024-25 Manual for Accounts. The accounting policies contained in that manual follow the 2024-25 Financial Reporting Manual (FReM) in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, to the extent that they are meaningful and appropriate to the NHS in Wales.

Where the LHB Manual for Accounts permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the LHB for the purpose of giving a true and fair view has been selected. The particular policies adopted by the LHB are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

1.1. Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets and inventories.

1.2. Acquisitions and discontinued operations

Activities are considered to be ‘acquired’ only if they are taken on from outside the public sector. Activities are considered to be ‘discontinued’ only if they cease entirely. They are not considered to be ‘discontinued’ if they transfer from one public sector body to another.

1.3. Income and funding

The main source of funding for the LHBs are allocations (Welsh Government funding) from the Welsh Government within an approved cash limit, which is credited to the General Fund of the LHB. Welsh Government funding is recognised in the financial period in which the cash is received.

Non-discretionary funding outside the Revenue Resource Limit is allocated to match actual expenditure incurred for the provision of specific pharmaceutical, or ophthalmic services identified by the Welsh Government. Non-discretionary expenditure is disclosed in the accounts and deducted from operating costs charged against the Revenue Resource Limit.

Funding for the acquisition of fixed assets received from the Welsh Government is credited to the General Fund.

Miscellaneous income is income which relates directly to the operating activities of the LHB and is not funded directly by the Welsh Government. This includes payment for services uniquely provided by the LHB for the Welsh Government such as funding provided to agencies and non-activity costs incurred by the LHB in its provider role. Income received from LHBs transacting with other LHBs is always treated as miscellaneous income.

From 2018-19, IFRS 15 Revenue from Contracts with Customers has been applied, as interpreted and adapted for the public sector, in the FREM. It replaces the previous standards IAS 11 Construction Contracts and IAS 18 Revenue and related IFRIC and SIC interpretations. The potential amendments identified as a result of the adoption of IFRS 15 are significantly below materiality levels.

Income is accounted for applying the accruals convention. Income is recognised in the period in which services are provided. Where income had been received from third parties for a specific activity to be delivered in the following financial year, that income will be deferred. Only non-NHS income may be deferred.

Only non-NHS income may be deferred.

1.4. Employee benefits

1.4.1. Short-term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of leave earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period.

1.4.2. Retirement benefit costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

The Department of Health and Social Care (DHSC) 2023-24 consultation on the NHS Pension Scheme confirmed that the transitional approach that has operated since 2019-20 for employer contributions will continue in 2024-25. From 1 April 2024 an employer rate of 23.7% (23.78% inclusive of the administration charge) will apply. However, the NHS Business Services Authority will continue to only collect 14.38% from NHS Wales employers under their normal monthly payment process to the NHS Pension Scheme. This has a resulted in an increase in the central payments made by Welsh Government directly to the Pension Scheme administrator, the NHS Business Services Authority (BSA the NHS Pensions Agency) from 6.3% to 9.4%.

However, NHS Wales' organisations are required to account for their staff employer contributions of 23.78% in full and on a gross basis, in their annual accounts. Payments made on their behalf by Welsh Government are accounted for on a notional basis. For detailed information see the Other Note within these accounts.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to expenditure at the time the NHS Wales organisation commits itself to the retirement, regardless of the method of payment.

Where employees are members of the Local Government Superannuation Scheme, which is a defined benefit pension scheme this is disclosed. The scheme assets and liabilities attributable to those employees can be identified and are recognised in the NHS Wales organisation’s accounts. The assets are measured at fair value and the liabilities at the present value of the future obligations. The increase in the liability arising from pensionable service earned during the year is recognised within operating expenses. The expected gain during the year from scheme assets is recognised within finance income. The interest cost during the year arising from the unwinding of the discount on the scheme liabilities is recognised within finance costs.

1.4.3. NEST Pension Scheme

An alternative pensions scheme for employees not eligible to join the NHS Pensions scheme has to be offered. The NEST (National Employment Savings Trust) Pension scheme is a defined contribution scheme and therefore the cost to the NHS body of participating in the scheme is equal to the contributions payable to the scheme for the accounting period.

1.5. Other expenses

Other operating expenses for goods or services are recognised when, and to the extent that, they have been received. They are measured at the fair value of the consideration payable.

1.6. Property, plant and equipment

1.6.1. Recognition

Property, plant and equipment is capitalised if:

● it is held for use in delivering services or for administrative purposes;

● it is probable that future economic benefits will flow to, or service potential will be supplied to, the NHS Wales organisation;

● it is expected to be used for more than one financial year;

● the cost of the item can be measured reliably; and

● the item has cost of at least £5,000; or

● Collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or

● Items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

1.6.2. Valuation

All property, plant and equipment are measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

Land and buildings used for services or for administrative purposes are stated in the Statement of Financial Position (SoFP) at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Fair values are determined as follows:

● Land and non-specialised buildings – market value for existing use

● Specialised buildings – depreciated replacement cost

HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be valued. NHS Wales' organisations have applied these new valuation requirements from 1 April 2009.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

In 2022-23 a formal revaluation exercise was applied to land and properties. The carrying value of existing assets at that date will be written off over their remaining useful lives and new fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit should be taken to expenditure.

References in IAS 36 to the recognition of an impairment loss of a revalued asset being treated as a revaluation decrease to the extent that the impairment does not exceed the amount in the revaluation surplus for the same asset, are adapted such that only those impairment losses that do not result from a clear consumption of economic benefit or reduction of service potential (including as a result of loss or damage resulting from normal business operations) should be taken to the revaluation reserve. Impairment losses that arise from a clear consumption of economic benefit should be taken to the Statement of Comprehensive Net Expenditure (SoCNE).

From 2015-16, IFRS 13 Fair Value Measurement must be complied with in full. However, IAS 16 and IAS 38 have been adapted for the public sector context which limits the circumstances under which a valuation is prepared under IFRS 13. Assets which are held for their service potential and are in use should be measured at their current value in existing use. For specialised assets current value in existing use should be interpreted as the present value of the assets remaining service potential, which can be assumed to be at least equal to the cost of replacing that service potential. Where there is no single class of asset that falls within IFRS 13, disclosures should be for material items only.

In accordance with the adaptation of IAS 16 in table 6.2 of the FReM, for non-specialised assets in operational use, current value in existing use is interpreted as market value for existing use which is defined in the RICS Red Book as Existing Use Value (EUV).

Assets which were most recently held for their service potential but are surplus should be valued at current value in existing use, if there are restrictions on the NHS organisation or the asset which would prevent access to the market at the reporting date. If the NHS organisation could access the market then the surplus asset should be used at fair value using IFRS 13. In determining whether such an asset which is not in use is surplus, an assessment should be made on whether there is a clear plan to bring the asset back into use as an operational asset. Where there is a clear plan, the asset is not surplus and the current value in existing use should be maintained. Otherwise the asset should be assessed as being surplus and valued under IFRS13.

Assets which are not held for their service potential should be valued in accordance with IFRS 5 or IAS 40 depending on whether the asset is actively held for sale. Where an asset is not being used to deliver services and there is no plan to bring it back into use, with no restrictions on sale, and it does not meet the IAS 40 and IFRS 5 criteria, these assets are surplus and are valued at fair value using IFRS 13.

1.6.3. Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the asset to its original specification, the expenditure is capitalised and any carrying value of the item replaced is written-out and charged to the SoCNE. As highlighted in previous years the NHS in Wales does not have systems in place to ensure that all items being "replaced" can be identified and hence the cost involved to be quantified. The NHS in Wales has thus established a national protocol to ensure it complies with the standard as far as it is able to which is outlined in the capital accounting chapter of the Manual For Accounts. This dictates that to ensure that asset carrying values are not materially overstated, for All Wales Capital Schemes that are completed in a financial year, NHS Wales organisations are required to obtain a revaluation during that year (prior to them being brought into use) and also similar revaluations are needed for all Discretionary Building Schemes completed which have a spend greater than £0.5m. The write downs identified are then charged to operating expenses.

1.7. Intangible assets

1.7.1. Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the business or which arise from contractual or other legal rights. They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to, the NHS Wales organisation; where the cost of the asset can be measured reliably, and where the cost is at least £5,000.

Intangible assets acquired separately are initially recognised at fair value. Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset. Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

● the technical feasibility of completing the intangible asset so that it will be available for use.

● the intention to complete the intangible asset and use it.

● the ability to use the intangible asset.

● how the intangible asset will generate probable future economic benefits.

● the availability of adequate technical, financial and other resources to complete the intangible asset and use it.

● the ability to measure reliably the expenditure attributable to the intangible asset during its development.

1.7.2 Measurement

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the criteria above are initially met. Where no internally-generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred.

Following initial recognition, intangible assets are carried at fair value by reference to an active market, or, where no active market exists, at amortised replacement cost (modern equivalent assets basis), indexed for relevant price increases, as a proxy for fair value. Internally-developed software is held at historic cost to reflect the opposing effects of increases in development costs and technological advances.

1.8. Depreciation, amortisation and impairments

Freehold land, assets under construction and assets held for sale are not depreciated.

Otherwise, depreciation and amortisation are charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. The estimated useful life of an asset is the period over which the NHS Wales Organisation expects to obtain economic benefits or service potential from the asset. This is specific to the NHS Wales organisation and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. Assets held under finance leases are depreciated over the shorter of the lease term and estimated useful lives.

At each reporting period end, the NHS Wales organisation checks whether there is any indication that any of its tangible or intangible non-current assets have suffered an impairment loss. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually.

Impairment losses that do not result from a loss of economic value or service potential are taken to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to the SoCNE. Impairment losses that arise from a clear consumption of economic benefit are taken to the SoCNE. The balance on any revaluation reserve (up to the level of the impairment) to which the impairment would have been charged under IAS 36 are transferred to retained earnings. Right of use (ROU) asset impairments are reflected in ROU liability.

1.9. Research and Development

Research and development expenditure is charged to operating costs in the year in which it is incurred, except insofar as it relates to a clearly defined project, which can be separated from patient care activity and benefits there from can reasonably be regarded as assured. Expenditure so deferred is limited to the value of future benefits expected and is amortised through the SoCNE on a systematic basis over the period expected to benefit from the project.

1.10 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met when the sale is highly probable, the asset is available for immediate sale in its present condition and management is committed to the sale, which is expected to qualify for recognition as a completed sale,

within one year from the date of classification. Non-current assets held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Fair value is open market value including alternative uses.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the SoCNE. On disposal, the balance for the asset on the revaluation reserve, is transferred to the General Fund.

Property, plant and equipment that is to be scrapped or demolished does not qualify for recognition as held for sale. Instead it is retained as an operational asset and its economic life adjusted. The asset is derecognised when it is scrapped or demolished.

1.11 Leases

A lease is a contract or part of a contract that conveys the right to use an asset for a period of time in exchange for consideration.

IFRS 16 leases is effective across public sector from 1 April 2022. The transition to IFRS 16 has been completed in accordance with paragraph C5 (b) of the Standard, applying IFRS 16 requirements retrospectively recognising the cumulative effects at the date of initial application.

In the transition to IFRS 16 a number of elections and practical expedients offered in the standard have been employed. These are as follows: Hywel Dda UHB has applied the practical expedient offered in the standard per paragraph C3 to apply IFRS 16 to contracts or arrangements previously identified as containing a lease under the previous leasing standards IAS 17 leases and IFRIC 4 determining whether an arrangement contains a lease and not to those that were identified as not containing a lease under previous leasing standards.

On initial application the LHB has measured the right of use assets for leases previously classified as operating leases per IFRS 16 C8 (b)(ii), at an amount equal to the lease liability adjusted for accrued or prepaid lease payments.

No adjustments have been made for operating leases in which the underlying asset is of low value per paragraph C9 (a) of the standard.

The transitional provisions have not been applied to operating leases whose terms end within 12 months of the date of initial application per paragraph C10 (c) of IFRS 16.

Hindsight is used to determine the lease term when contracts or arrangements contain options to extend or terminate the lease in accordance with C10 (e) of IFRS 16.

Due to transitional provisions employed the requirements for identifying a lease within paragraphs 9 to 11 of IFRS 16 are not employed for leases in existence at the initial date of application. Leases entered into on or after the 1 April 2022 will be assessed under the requirements of IFRS 16.

There are further expedients or election that have been employed by the LHB in applying IFRS 16.

These include:

- the measurement requirements under IFRS 16 are not applied to leases with a term of 12 months or less under paragraph 5 (a) of IFRS 16
- the measurement requirements under IFRS 16 are not applied to leases where the underlying asset is of a low value which are identified as those assets of a value of less than £5,000, excluding any irrecoverable VAT, under paragraph 5 (b) of IFRS 16

The LHB will not apply IFRS 16 to any new leases of intangible assets, applying the treatment described in section 1.7 instead.

The LHB is required to apply IFRS 16 to lease like arrangements entered into with other public sector entities that are in substance akin to an enforceable contract, that in their formal legal form may not be enforceable. Prior to accounting for such arrangements under IFRS 16 the LHB has assessed that in all other respects these arrangements meet the definition of a lease under the standard.

The LHB is required to apply IFRS 16 to lease like arrangements entered into in which consideration exchanged is nil or nominal, therefore significantly below market value. These arrangements are described as peppercorn leases. Such arrangements are again required to meet the definition of a lease in every other respect prior to inclusion in the scope of IFRS 16. The accounting for peppercorn arrangements aligns to that identified for donated assets. Peppercorn leases are different in substance to arrangements in which consideration is below market value but not significantly below market value.

The nature of the accounting policy change for the lessee is more significant than for the lessor under IFRS 16. IFRS 16 introduces a singular lessee approach to measurement and classification in which lessees recognise a right of use asset.

For the lessor leases remain classified as finance leases when substantially all the risks and rewards incidental to ownership of an underlying asset are transferred to the lessee. When this transfer does not occur, leases are classified as operating leases.

1.11.1 Hywel Dda UHB as lessee

At the commencement date for the leasing arrangement a lessee shall recognise a right of use asset and corresponding lease liability. The LHB employs a revaluation model for the subsequent measurement of its right of use assets unless cost is considered to be an appropriate proxy for current value in existing use or fair value in line with the accounting policy for owned assets. Where consideration exchanged is identified as below market value, cost is not considered to be an appropriate proxy to value the right of use asset.

Irrecoverable VAT is expensed in the period to which it relates and therefore not included in the measurement of the lease liability and consequently the value of the right of use asset.

The incremental borrowing rate of 0.95% has been applied to the lease liabilities recognised at the date of initial application of IFRS 16.

Where changes in future lease payments result from a change in an index or rate or rent review, the lease liabilities are remeasured using an unchanged discount rate.

Where there is a change in a lease term or an option to purchase the underlying asset the LHB applies a revised rate to the remaining lease liability.

Where existing leases are modified the LHB must determine whether the arrangement constitutes a separate lease and apply the standard accordingly.

Lease payments are recognised as an expense on a straight-line or another systematic basis over the lease term, where the lease term is in substance 12 months or less, or is elected as a lease containing low value underlying asset by the LHB.

1.11.2 Hywel Dda UHB as lessor

A lessor shall classify each of its leases as an operating or finance lease. A lease is classified as finance lease when the lease substantially transfers all the risks and rewards incidental to ownership of an underlying asset. Where substantially all the risks and rewards are not transferred, a lease is classified as an operating lease.

Amounts due from lessees under finance leases are recorded as receivables at the amount of the LHB's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the LHB's net investment outstanding in respect of the leases.

Income from operating leases is recognised on a straight-line or another systematic basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Where the LHB is an intermediate lessor, being a lessor and a lessee regarding the same underlying asset, classification of the sublease is required to be made by the intermediate lessor considering the term of the arrangement and the nature of the right of use asset arising from the head lease.

On transition the LHB has reassessed the classification of all of its continuing subleasing arrangements to include peppercorn leases.

1.12. Inventories

Whilst it is accounting convention for inventories to be valued at the lower of cost and net realisable value using the weighted average or "first-in first-out" cost formula, it should be recognised that the NHS is a special case in that inventories are not generally held for the intention of resale and indeed there is no market readily available where such items could be sold. Inventories are valued at cost and this is considered to be a reasonable approximation to fair value due to the high turnover of stocks. Work-in-progress comprises goods in intermediate stages of production. Partially completed contracts for patient services are not accounted for as work-in-progress.

1.13. Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in three months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. In the Statement of Cash flows (SoCF), cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the cash management.

1.14. Provisions

Provisions are recognised when the LHB has a present legal or constructive obligation as a result of a past event, it is probable that the LHB will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using the discount rate supplied by HM Treasury.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the LHB has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

A restructuring provision is recognised when the LHB has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with ongoing activities of the entity.

1.14.1. Clinical negligence and personal injury costs

The Welsh Risk Pool Services (WRPS) operates a risk pooling scheme which is co-funded by the Welsh Government with the option to access a risk sharing agreement funded by the participative NHS Wales bodies. The risk sharing option was implemented in both 2023-24 and 2024-25. The WRPS is hosted by Velindre University NHS Trust.

1.14.2. Future Liability Scheme (FLS) - General Medical Practice Indemnity (GMPI)

The FLS is a state backed scheme to provide clinical negligence General Medical Practice Indemnity (GMPI) for providers of GMP services in Wales.

In March 2019, the Minister issued a Direction to Velindre University NHS Trust to enable Legal and Risk Services to operate the Scheme. The GMPI is underpinned by new secondary legislation, The NHS (Clinical Negligence Scheme) (Wales) Regulations 2019 which came into force on 1 April 2019.

GMP Service Providers are not direct members of the GMPI FLS, their qualifying liabilities are the subject of an arrangement between them and their relevant LHB, which is a member of the scheme. The qualifying reimbursements to the LHB are not subject to the £25,000 excess.

1.15. Financial Instruments

From 2018-19 IFRS 9 Financial Instruments has applied, as interpreted and adapted for the public sector, in the FReM. The principal impact of IFRS 9 adoption by NHS Wales' organisations, was to change the calculation basis for bad debt provisions, changing from an incurred loss basis to a lifetime expected credit loss (ECL) basis.

All entities applying the FReM recognised the difference between previous carrying amount and the carrying amount at the beginning of the annual reporting period that included the date of initial application in the opening general fund within Taxpayer's equity.

1.16. Financial assets

Financial assets are recognised on the SoFP when the LHB becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

The accounting policy choice allowed under IFRS 9 for long term trade receivables, contract assets which do contain a significant financing component (in accordance with IFRS 15), and lease receivables within the scope of IAS 17 has been withdrawn and entities should always recognise a loss allowance at an amount equal to lifetime Expected Credit Losses. All entities applying the FReM should utilise IFRS 9's simplified approach to impairment for relevant assets.

IFRS 9 requirements required a revised approach for the calculation of the bad debt provision, applying the principles of expected credit loss, using the practical expedients within IFRS 9 to construct a provision matrix.

1.16.1. Financial assets are initially recognised at fair value

Financial assets are classified into the following categories: financial assets 'at fair value through SoCNE'; 'held to maturity investments'; 'available for sale' financial assets, and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

1.16.2. Financial assets at fair value through SoCNE

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial assets at fair value through SoCNE. They are held at fair value, with any resultant gain or loss recognised in the SoCNE. The net gain or loss incorporates any interest earned on the financial asset.

1.16.3 Held to maturity investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity, and there is a positive intention and ability to hold to maturity. After initial recognition, they are held at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

1.16.4. Available for sale financial assets

Available for sale financial assets are non-derivative financial assets that are designated as available for sale or that do not fall within any of the other three financial asset classifications. They are measured at fair value with changes in value taken to the revaluation reserve, with the exception of impairment losses. Accumulated gains or losses are recycled to the SoCNE on de-recognition.

1.16.5. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. After initial recognition, they are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

Fair value is determined by reference to quoted market prices where possible, otherwise by valuation techniques.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to the net carrying amount of the financial asset.

At the SOFP date, the LHB assesses whether any financial assets, other than those held at 'fair value through profit and loss' are impaired. Financial assets are impaired and impairment losses recognised if there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the SoCNE and the carrying amount of the asset is reduced directly, or through a provision of impairment of receivables.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the SoCNE to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

1.17. Financial liabilities

Financial liabilities are recognised on the SOFP when the LHB becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired.

1.17.1. Financial liabilities are initially recognised at fair value

Financial liabilities are classified as either financial liabilities at fair value through the SoCNE or other financial liabilities.

1.17.2. Financial liabilities at fair value through the SoCNE

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial liabilities at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in the SoCNE. The net gain or loss incorporates any interest earned on the financial asset.

1.17.3. Other financial liabilities

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the net carrying amount of the financial liability. Interest is recognised using the effective interest method.

1.18. Value Added Tax (VAT)

Most of the activities of the LHB are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.19. Foreign currencies

Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. Resulting exchange gains and losses are taken to the SoCNE. At the SoFP date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date.

1.20. Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the LHB has no beneficial interest in them. Details of third party assets are given in the Notes to the accounts.

1.21. Losses and Special Payments

Losses and special payments are items that the Welsh Government would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way each individual case is handled.

Losses and special payments are charged to the relevant functional headings in the SoCNE on an accruals basis, including losses which would have been made good through insurance cover had the LHB not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure). However, the note on losses and special payments is compiled directly from the losses register which is prepared on a cash basis.

The LHB accounts for all losses and special payments gross (including assistance from the WRP).

The LHB accrues or provides for the best estimate of future pay-outs for certain liabilities and discloses all other potential payments as contingent liabilities, unless the probability of the liabilities becoming payable is remote.

All claims for losses and special payments are provided for where the probability of settlement of an individual claim is over 50%. Where reliable estimates can be made, incidents of clinical negligence against which a claim has not, as yet, been received are provided in the same way. Expected reimbursements from the WRP are included in debtors. For those claims where the probability of settlement is between 5- 50%, the liability is disclosed as a contingent liability.

1.22. Pooled budgets

The NHS Wales organisation has entered into pooled budgets with Local Authorities. Under the arrangements funds are pooled in accordance with section 33 of the NHS (Wales) Act 2006 for specific activities defined in the Pooled budget Note.

The pool budget is hosted by one NHS Wales's organisation. Payments for services provided are accounted for as miscellaneous income. The NHS Wales organisation accounts for its share of the assets, liabilities, income and expenditure from the activities of the pooled budget, in accordance with the pooled budget arrangement.

1.23. Critical Accounting Judgements and key sources of estimation uncertainty

In the application of the accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. The estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or the period of the revision and future periods if the revision affects both current and future periods.

1.24. Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the SoFP date, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Significant estimations are made in relation to on-going clinical negligence and personal injury claims. Assumptions as to the likely outcome, the potential liabilities and the timings of these litigation claims are provided by independent legal advisors. Any material changes in liabilities associated with these claims would be recoverable through the Welsh Risk Pool.

Significant estimations are also made for continuing care costs resulting from claims post 1 April 2003. An assessment of likely outcomes, potential liabilities and timings of these claims are made on a case by case basis. Material changes associated with these claims would be adjusted in the period in which they are revised.

Estimates are also made for contracted primary care services. These estimates are based on the latest payment levels. Changes associated with these liabilities are adjusted in the following reporting period.

1.24.1. Provisions

The LHB provides for legal or constructive obligations for clinical negligence, personal injury and defence costs that are of uncertain timing or amount at the balance sheet date on the basis of the best estimate of the expenditure required to settle the obligation.

Claims are funded via the Welsh Risk Pool Services (WRPS) which receives an annual allocation from Welsh Government to cover the cost of reimbursement requests submitted to the bi-monthly WRPS Committee. Following settlement to individual claimants by the LHB, the full cost is recognised in year and matched to income (less a £25K excess) via a WRPS debtor, until reimbursement has been received from the WRPS Committee.

1.24.2. Probable & Certain Cases – Accounting Treatment

A provision for these cases is calculated in accordance with IAS 37. Cases are assessed and divided into four categories according to their probability of settlement;

Remote	Probability of Settlement	0 – 5%
	Accounting Treatment	Remote Contingent Liability.
Possible	Probability of Settlement	6% - 49%
	Accounting Treatment	Defence Fee - Provision*
Probable	Probability of Settlement	50% - 94%
	Accounting Treatment	Full Provision
Certain	Probability of Settlement	95% - 100%
	Accounting Treatment	Full Provision

** Personal injury cases - Defence fee costs are provided for at 100%.*

The provision for probable and certain cases is based on case estimates of individual reported claims received by Legal & Risk Services within NHS Wales Shared Services Partnership.

The solicitor will estimate the case value including defence fees, using professional judgement and from obtaining counsel advice. Valuations are then discounted for the future loss elements using individual life expectancies and the Government Actuary's Department actuarial tables (Ogden tables) and Personal Injury Discount Rate of 0.5%.

Future liabilities for certain & probable cases with a probability of 95%-100% and 50%- 94% respectively are held as a provision on the balance sheet. Cases typically take a number of years to settle, particularly for high value cases where a period of development is necessary to establish the full extent of the injury caused.

1.24.3 Primary Care Expenditure

There are a number of estimates due to the way practices are reimbursed for their services through claim forms sent to NWSSP. Therefore, primary care expenditure disclosed contains significant estimates where the value of the actual liabilities were not available prior to the date for accounts submission. Claims for a service could be paid a month or a quarter in arrears, therefore for these claims, accruals are based on a rolling three-month average. This is the case for General Medical Services (GMS) and Community Pharmacy, with the exceptions being:

a) PADMs (Prescribing and Dispensing GPs) within the GMS contract - accruals were based on average monthly spend earlier in the year as the flu vaccination programme distorts a three month average, in the period October to December. This would not be a suitable enough period to base an accrual for February and March on.

b) The Quality Access standards within the GMS contracts – this service is paid as an annual payment in June of the following financial year. In line with the previous two years where full achievement of the quality standard was met, it is also assumed that this will be case in 2024-25 (as advised by the service), the maximum achievable value has been accrued.

c) The Quality and Outcome Framework within the GMS contracts – this service is paid at 70% throughout the year with the last 30% as an annual payment in June of the following financial year. In line with the previous two years where full achievement of the quality standard was met, it is also assumed that this will be case in 2024-25 (as advised by the service), the maximum achievable value has been accrued.

In terms of prescribing cost for 2024-25, the Health Board has used the accrual methodology consistent with previous years.

The cost per item for all items excluding Vaccinations, Immunisations and Stoma (Net Prescribing Audit Reports – PARS) was derived by using the most recent published cost per item from the January 2025 PARS reports.

The number of items (growth) used to calculate net PARS items was derived using prescribing days. The resultant growth estimation rate for 2024-25 was 0.32% (2023-24 – 0%)

Vaccination and Immunisation costs were calculated by applying the prior year percentage of spend to January 2024 to the YTD spend to January 2025.

Stoma costs were calculated on a straight-line basis based on the YTD cost to January 2025.

1.25 Discount Rates

Where discount is applied, a disclosure detailing the impact of the discounting on liabilities to be included for the relevant notes. The disclosure should include where possible undiscounted values to demonstrate the impact. An explanation of the source of the discount rate or how the discount rate has been determined to be included.

1.26 Private Finance Initiative (PFI) transactions

The Health Board has no PFI transactions.

1.26.4 Impact of IFRS 16 on on-balance sheet PFI/PPP Schemes as from 1 April 2023

The Health Board has no PFI transactions.

1.27. Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the LHB, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the LHB. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingencies are disclosed at their present value.
Remote contingent liabilities are those that are disclosed under Parliamentary reporting requirements and not under IAS 37 and, where practical, an estimate of their financial effect is required.

1.28. Absorption accounting

Transfers of function are accounted for as either by merger or by absorption accounting dependent upon the treatment prescribed in the FReM. Absorption accounting requires that entities account for their transactions in the period in which they took place with no restatement of performance required.

Where transfer of function is between LHBs the gain or loss resulting from the assets and liabilities transferring is recognised in the SoCNE and is disclosed separately from the operating costs.

1.29. Accounting standards that have been issued but not yet been adopted

The following accounting standards have been issued and or amended by the IASB and IFRIC but have not been adopted because they are not yet required to be adopted by the FReM

IFRS14 Regulatory Deferral Accounts - Applies to first time adopters of IFRS after 1 January 2016. Therefore not applicable.

IFRS 17 Insurance Contracts, Application required for accounting periods beginning on or after 1 January 2023, Standard is UK endorsed and adopted by the FReM. The date of initial application is the beginning of the annual reporting period in which IFRS 17 is first applied. In central government the date of initial application is 1 April 2025.

IFRS 18 Presentation and Disclosure in Financial Statements - Application required for accounting periods beginning on or after 1 January 2027. Standard is not yet UK endorsed and not yet adopted by the FReM. Early adoption is not permitted.

IFRS 19 Subsidiaries without Public Accountability: Disclosures - Application required for accounting periods beginning on or after 1 January 2027. Standard is not yet UK endorsed and not yet adopted by the FReM. Early adoption is not permitted.

1.30. Accounting standards issued that have been adopted early

During 2024-25 there have been no accounting standards that have been adopted early. All early adoption of accounting standards will be led by HM Treasury.

1.31. Charities

Following Treasury's agreement to apply IAS 27 to NHS Charities from 1 April 2013, Hywel Dda UHB has established that as it is the corporate trustee of Hywel Dda Health Charities, it is considered for accounting standards compliance to have control of Hywel Dda Health Charities as a subsidiary. The determination of control is an accounting standard test of control and there has been no change to the operation of Hywel Dda Health Charities or its independence in its management of charitable funds.

Whilst there is a requirement to consolidate the results of Hywel Dda Health Charities within the statutory accounts of the LHB, the LHB has with the agreement of the Welsh Government adopted the IAS 27 (10) exemption to consolidate.

Welsh Government as the ultimate parent of the Local Health Boards will disclose the Charitable Accounts of Local Health Boards in the Welsh Government Consolidated Accounts.

Details of the transactions with the charity are included in the related parties' notes.

2. Financial Duties Performance

The National Health Service Finance (Wales) Act 2014 came into effect from 1 April 2014. The Act amended the financial duties of Local Health Boards under section 175 of the National Health Service (Wales) Act 2006. From 1 April 2014 section 175 of the National Health Service (Wales) Act places two financial duties on Local Health Boards:

- A duty under section 175 (1) to secure that its expenditure does not exceed the aggregate of the funding allotted to it over a period of 3 financial years;
- A duty under section 175 (2A) to prepare a plan in accordance with planning directions issued by the Welsh Ministers, to secure compliance with the duty under section 175 (1) while improving the health of the people for whom it is responsible, and the provision of health care to such people, and for that plan to be submitted to and approved by the Welsh Ministers.

The first assessment of performance against the 3 year statutory duty under section 175 (1) was at the end of 2016-17, being the first 3 year period of assessment.

Welsh Health Circular WHC/2016/054 "Statutory and Financial Duties of Local Health Boards and NHS Trusts" clarifies the statutory financial duties of NHS Wales bodies effective from 2016-17.

2.1 Revenue Resource Performance

	Annual financial performance			
	2022-23	**2023-24**	**2024-25**	**Total**
	£000	**£000**	**£000**	**£000**
Net operating costs for the year	1,154,992	1,264,538	1,355,490	**3,775,020**
Less general ophthalmic services expenditure and other non-cash limited expenditure	2,431	1,831	1,111	**5,373**
Less unfunded revenue consequences of bringing PFI schemes onto SoFP	0	0	0	**0**
Less any non funded revenue consequences of IFRS 16	0	0	0	**0**
Total operating expenses	1,157,423	1,266,369	1,356,601	**3,780,393**
Revenue Resource Allocation	1,098,379	1,200,554	1,332,462	**3,631,395**
Under /(over) spend against Allocation	**(59,044)**	**(65,815)**	**(24,139)**	**(148,998)**

Hywel Dda University LHB has not met its financial duty to break-even against its Revenue Resource Limit over the 3 years 2022-23 to 2024-25.

The Health Board received £24m cash-only support from Welsh Government during 2024-25 with the accumulated cash-only support as at 31 March 2025 being £360.2m. This support has been provided by Welsh Government to assist the Health Board with making payments to staff and suppliers; there is no requirement for this funding to be repaid.

2.2 Capital Resource Performance

	2022-23	**2023-24**	**2024-25**	**Total**
	£000	**£000**	**£000**	**£000**
Gross capital expenditure	34,256	47,760	47,606	**129,622**
Add: Losses on disposal of donated assets	0	0	0	**0**
Less NBV on disposal of property, plant and equipment, right of use and intangible assets	(196)	(61)	(34)	**(291)**
Adjustment for transfers (to)/from NHS Trusts	0	0	0	**0**
Less capital grants received	0	(8)	(4)	**(12)**
Less donations received	(476)	(805)	(2,754)	**(4,035)**
Less IFRS16 Peppercorn income	0	0	0	**0**
Less **initial recognition** of RoU Asset Dilapidations	0	0	(2,175)	**(2,175)**
Charge against Capital Resource Allocation	33,584	46,886	42,639	**123,109**
Capital Resource Allocation	33,653	46,919	42,725	**123,297**
(Over) / Underspend against Capital Resource Allocation	**69**	**33**	**86**	**188**

Hywel Dda University LHB has met its financial duty to break-even against its Capital Resource Limit over the 3 years 2022-23 to 2024-25.

2.3 Duty to prepare a 3 year integrated plan

The NHS Wales Planning Framework for the period 2024-2027 issued to LHBs placed a requirement upon them to prepare and submit Integrated Medium-Term Plans to the Welsh Government. The LHB did not submit an Integrated Medium-Term Plan for the period 2024-2027 in accordance with NHS Wales Planning Framework.

The LHB had been unable to produce a financially balanced plan for 2023-24 and this contributed to the escalation status of the Health Board being raised to entire organisation Targeted Intervention on the Welsh Government Joint Escalation and Intervention Arrangements in January 2024. Following agreement at the January 2024 Board meeting, HDdUHB wrote to the Welsh Government in February 2024 to provide formal notification through an accountability letter that unfortunately the Health Board would again not be able to submit a financially balanced IMTP by the end of March 2024 and instead would produce an Annual Plan for 2024-25.

The Annual Plan set out the key objectives and deliverables for the next 12 months and laid the foundations for further progress beyond that in achieving the Board's aim to firstly reverse the deteriorating trajectory of our financial position and secondly agree a clear and deliverable route map to the organisation's control total. In addition, whilst progress had been made in several areas, the Health Board continued to have significant performance issues that our plan simultaneously needed to address.

The LHB was allocated additional funding by Welsh Government (WG) in year. WG also set a revised Target Control Total of £31.55m. The Health Board has achieved the revised control total with a yearend deficit of £24.1m (subject to audit).

Having placed the entire Health Board in 'targeted intervention' in January 2024, WG has de-escalated three areas to enhanced monitoring due to the progress seen. The three de-escalated areas are Child and Adolescent Health and Mental Health (CAHMS), Planned Care, and Leadership and Governance. While this is a positive step forward, it is acknowledged that pressures remain across the organisation.

The Minister for Health and Social Services extant approval

Status	Not Approved
Date	

Hywel Dda University LHB has not therefore met its statutory duty to have an approved financial plan.

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2.4 Creditor payment

The LHB is required to pay 95% of the number of non-NHS bills within 30 days of receipt of goods or a valid invoice (whichever is the later). The LHB has achieved the following results:

	2024-25	2023-24
Total number of non-NHS bills paid	**236,022**	274,883
Total number of non-NHS bills paid within target	**228,149**	263,334
Percentage of non-NHS bills paid within target	96.7%	95.8%

The LHB has met the target.

3. Analysis of gross operating costs

3.1 Expenditure on Primary Healthcare Services

	Cash limited £000	Non-cash limited £000	2024-25 Total £000	2023-24 Total £000
General Medical Services	90,992		90,992	85,345
Pharmaceutical Services	23,544	(7,194)	16,350	16,404
General Dental Services	21,280		21,280	20,079
General Ophthalmic Services	3,058	6,083	9,141	6,445
Other Primary Health Care expenditure	6,043		6,043	6,956
Prescribed drugs and appliances	87,700		87,700	88,598
Total	**232,617**	**(1,111)**	**231,506**	223,827

Return of excess funds from primary care contractors are included in the figures above

Included within other notes to the accounts		
Additional Primary Care Expenditure	0	0
Additional Primary Care Income	(2,499)	(2,244)
Overall total	229,007	221,583

General Medical Services includes £7.750m for managed practices staff costs

3.2 Expenditure on healthcare from other providers

	2024-25 £000	2023-24 £000
Goods and services from other NHS Wales Health Boards	**56,325**	52,017
Goods and services from other NHS Wales Trusts	**6,129**	5,826
Goods and services from Welsh Special Health Authorities	**0**	0
Goods and services from other non Welsh NHS bodies	**371**	2,156
Goods and services from NWJCC /WHSSC and EASC	**142,225**	129,262
Local Authorities	**17,020**	19,143
Voluntary organisations	**4,334**	4,515
NHS Funded Nursing Care	**3,269**	3,410
Continuing Care	**54,621**	54,226
Private providers	**8,870**	4,381
Specific projects funded by the Welsh Government	**0**	0
Other	**11**	89
Total	**293,175**	275,025

3.3 Expenditure on Hospital and Community Health Services

	2024-25	2023-24
	£000	£000
Directors' costs	3,040	2,628
Operational Staff costs	646,179	610,185
Single lead employer Staff Trainee Cost	20,717	16,539
Collaborative Bank Staff Cost	0	0
Supplies and services - clinical	115,429	105,366
Supplies and services - general	12,647	10,925
Consultancy Services	72	410
Establishment	11,629	11,872
Transport	1,904	1,626
Premises	35,256	31,385
External Contractors	388	28
Depreciation	25,162	24,533
Depreciation Right of Use assets (RoU)	2,432	2,263
Amortisation	728	718
Fixed asset impairments and reversals (Property, plant & equipment)	25,762	16,390
Fixed asset impairments and reversals (RoU Assets)	0	0
Fixed asset impairments and reversals (Intangible assets)	0	0
Impairments & reversals of financial assets	0	0
Impairments & reversals of non-current assets held for sale	0	0
Audit fees	415	418
Other auditors' remuneration	0	0
Losses, special payments and irrecoverable debts	2,274	1,790
Research and Development	0	0
Expense related to short-term leases	303	171
Expense related to low-value asset leases (excluding short-term leases)	346	493
Other operating expenses	4,201	2,114
Total	**908,884**	839,854

3.4 Losses, special payments and irrecoverable debts: charges to operating expenses

	2024-25	2023-24
Increase/(decrease) in provision for future payments:	**£000**	£000
Clinical negligence;		
Secondary care	**14,803**	(3,673)
Primary care	**872**	690
Redress Secondary Care	**685**	97
Redress Primary Care	**0**	0
Personal injury	**411**	(776)
All other losses and special payments	**378**	306
Defence legal fees and other administrative costs	**1,704**	958
Gross increase/(decrease) in provision for future payments	**18,853**	**(2,398)**
Contribution to Welsh Risk Pool	0	0
Premium for other insurance arrangements	0	0
Irrecoverable debts	150	120
Less: income received/due from Welsh Risk Pool	(16,729)	4,068
Total	**2,274**	1,790

	2024-25	2023-24
	£	£
Permanent injury included within personal injury £:	363,888	32,538

4. Miscellaneous Income

	2024-25 £000	2023-24 £000
Local Health Boards	23,705	23,727
NWJCC/ WHSSC and EASC	3,470	3,391
NHS Wales trusts	8,771	9,682
Welsh Special Health Authorities	5,796	5,597
Foundation Trusts	0	0
Other NHS England bodies	4,140	3,688
Other NHS Bodies	73	36
Local authorities	6,090	6,197
Welsh Government	2,940	2,454
Welsh Government Hosted bodies	0	0
Non NHS:		
Prescription charge income	1	1
Dental fee income	1,854	1,674
Private patient income	31	27
Overseas patients (non-reciprocal)	238	292
Injury Costs Recovery (ICR) Scheme	718	748
Other income from activities	433	303
Patient transport services	0	0
Education, training and research	8,710	8,108
Charitable and other contributions to expenditure	1,114	1,304
Receipt of NWSSP Covid centrally purchased assets	0	0
Receipt of Covid centrally purchased assets from other organisations	0	0
Receipt of donated assets	2,755	805
Receipt of Government granted assets	4	8
Right of Use Grant (Peppercorn Lease)	0	0
Non-patient care income generation schemes	686	707
NHS Wales Shared Services Partnership (NWSSP)	0	0
Deferred income released to revenue	1,220	1,042
Right of Use Asset Sub-leasing rental income	0	0
Contingent rental income from finance leases	0	0
Rental income from operating leases	459	345
Other income:		
Provision of laundry, pathology, payroll services	289	205
Accommodation and catering charges	1,407	1,412
Mortuary fees	181	184
Staff payments for use of cars	261	221
Business Unit	0	0
Scheme Pays Reimbursement Notional	79	31
Other	2,835	2,134
Total	**78,260**	74,323

Other income Includes;		
Creche Fees	95	166
Design Fees Recharge	628	481
Drugs Rebate	276	292
Contribution from Ty Bryngwyn Hospice	250	80
Werndale Recharge of CSSD packs	127	133
Energy performance contract	0	0
Total	**1,376**	1,152

Injury Cost Recovery (ICR) Scheme income

	2024-25 %	2023-24 %
To reflect expected rates of collection ICR income is subject to a provision for impairment of:	24.45	23.76

5. Investment Revenue

	2024-25	2023-24
	£000	£000
Rental revenue :		
PFI Finance lease income		
planned	0	0
contingent	0	0
Other finance lease revenue	0	0
Interest revenue :		
Bank accounts	0	0
Other loans and receivables	0	0
Impaired financial assets	0	0
Other financial assets	10	11
Total	10	11

6. Other gains and losses

	2024-25	2023-24
	£000	£000
Gain/(loss) on disposal of property, plant and equipment	20	17
Gain/(loss) on disposal other than by sale of right of use assets assets	2	0
Gain/(loss) on disposal of intangible assets	0	0
Gain/(loss) on disposal of assets held for sale	0	0
Gain/(loss) on disposal of financial assets	0	0
Change on foreign exchange	0	0
Change in fair value of financial assets at fair value through SoCNE	0	0
Change in fair value of financial liabilities at fair value through SoCNE	0	0
Recycling of gain/(loss) from equity on disposal of financial assets held for sale	0	0
Total	22	17

7. Finance costs

	2024-25	2023-24
	£000	£000
Interest on loans and overdrafts	0	0
Interest on obligations under finance leases	10	11
Interest on obligations under Right of Use Leases	156	124
Interest on obligations under PFI contracts;		
main finance cost	0	0
contingent finance cost	0	0
Impact of IFRS 16 on PPP/PFI contracts	0	0
Interest on late payment of commercial debt	0	0
Other interest expense	0	0
Total interest expense	166	135
Provisions unwinding of discount	51	48
Other finance costs	0	0
Total	217	183

8. Future charges to Statement of Comprehensive Net Expenditure (SoCNE)

LHB as lessee

As at 31 March 2025 the Health Board had 764 leases agreements in place; 222 arrangements in respect of equipment and 542 in respect of vehicles.

The periods in which the remaining agreements will expire are shown below:

	2024-25 Low Value & Short Term	2024-25 Other	2024-25 Total	2023-24 Total
Payments recognised as an expense				
	£000	**£000**	**£000**	£000
Minimum lease payments	**649**	**1,299**	**1,948**	3,709
Contingent rents	**0**	**0**	**0**	0
Sub-lease payments	**0**	**0**	**0**	0
Total	**649**	**1,299**	**1,948**	3,709

Total future minimum lease payments				
Payable	**£000**	**£000**	**£000**	£000
Not later than one year	**83**	**2,859**	**2,942**	2,345
Between one and five years	**137**	**2,647**	**2,784**	2,577
After 5 years	**0**	**0**	**0**	0
Total	**220**	**5,506**	**5,726**	4,922

LHB as lessor

	2024-25	2023-24
Rental revenue	**£000**	£000
Rent	**292**	292
Contingent rents	**0**	0
Total revenue rental	**292**	292

Total future minimum lease payments		
Receivable	**£000**	£000
Not later than one year	**292**	292
Between one and five years	**1,168**	1,461
After 5 years	**268**	268
Total	**1,728**	2,021

9. Employee benefits and staff numbers

9.1 Employee costs

	Permanent Staff	Staff on Inward Secondment	Agency Staff	Specialist Trainee (SLE)	Collaborative Bank Staff	Other	Total	2023-24
	£000	£000	£000	£000	£000	£000	£000	£000
Salaries and wages	497,860	4,092	12,320	16,391	0	6,210	536,873	518,829
Social security costs	49,593	0	0	1,957	0	533	52,083	48,967
Employer contributions to NHS Pension Scheme	99,937	0	0	2,368	0	0	102,305	82,246
Other pension costs	226	0	0	0	0	0	226	305
Other employment benefits	0	0	0	0	0	0	0	0
Termination benefits	0	0	0	0	0	0	0	0
Total	647,616	4,092	12,320	20,716	0	6,743	691,487	650,347

Charged to capital	806	889
Charged to revenue	690,681	649,458
	691,487	650,347
Net movement in accrued employee benefits (untaken staff leave)	150	99

'Other' costs relate to Medacs - Medical & Dental and Additional Healthcare Professionals pay of £6,036k and PAACCS (Scheme Pays) of £7 07k.

9.2 Average number of employees

	Permanent Staff	Staff on Inward Secondment	Agency Staff	Specialist Trainee (SLE)	Collaborative Bank Staff	Other	Total	2023-24
	Number	Number	Number	Number	Number	Number	Number	Number
Administrative, clerical and board members	2,134	3	0	0	0	0	2,137	2,193
Medical and dental	688	2	2	233	0	20	945	945
Nursing, midwifery registered	3,351	1	146	0	0	0	3,498	3,547
Professional, Scientific, and technical staff	376	0	0	0	0	0	376	371
Additional Clinical Services	2,226	0	3	0	0	0	2,229	2,262
Allied Health Professions	736	0	8	0	0	14	758	731
Healthcare Scientists	198	0	2	0	0	0	200	201
Estates and Ancilliary	807	0	0	0	0	0	807	853
Students	1	0	0	0	0	0	1	0
Total	10,517	6	161	233	0	34	10,951	11,103

9.3. Retirements due to ill-health

	2024-25	2023-24
Number	13	10
Estimated additional pension costs £	1,435,972	294,321

This note discloses the number and additional pension costs for individuals who retired early on ill-health grounds during the year. These additional pension costs have been calculated on an average basis and will be borne by the NHS Pension Scheme.

9.4 Employee benefits

The Health Board has no employee benefit schemes.

9.5 Reporting of other compensation schemes - exit packages

9.5.1 Exit Packages Costs and Numbers

Exit packages cost band (including any special payment element)	2024-25 Number of compulsory redundancies	2024-25 Number of other departures	2024-25 Total number of exit packages	2024-25 Number of departures where special payments have been made	2023-24 Total number of exit packages
	Whole numbers only	Whole numbers only	Whole numbers only	Whole numbers only	Whole numbers only
less than £10,000	0	0	0	0	1
£10,000 to £25,000	0	0	0	0	0
£25,000 to £50,000	0	0	0	0	0
£50,000 to £100,000	0	0	0	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	0	0	0	0	1

Exit packages cost band (including any special payment element)	2024-25 Cost of compulsory redundancies	2024-25 Cost of other departures	2024-25 Total cost of exit packages	2024-25 Cost of special element included in exit packages	2023-24 Total cost of exit packages
	£	£	£	£	£
less than £10,000	0	0	0	0	4,000
£10,000 to £25,000	0	0	0	0	0
£25,000 to £50,000	0	0	0	0	0
£50,000 to £100,000	0	0	0	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	0	0	0	0	4,000

Total Exit Costs Paid in Year	Total paid in year 2024-25	Total paid in year 2023-24
	£	£
Exit costs paid in year	0	4,000
Total	0	4,000

There were no exit packages agreed in 2024-25.

This disclosure reports the number and value of exit packages agreed in the year. Note: the expense associated with these departures may have been recognised in part or in full in a previous period.

Redundancy and other departure costs are paid in accordance with the provisions of the NHS Voluntary Early Release Scheme (VERS).

Where the LHB has agreed early retirements, the additional costs are met by the LHB and not by the NHS Pensions Scheme. Ill-health retirement costs are met by the NHS Pensions Scheme and are not included in the table.

9.5 Reporting of other compensation schemes - exit packages continued

9.5.2 Analysis of other departures	2024-25 Agreements Number	2024-25 Total value of agreements £
Type of other departures		
Voluntary redundancies including early retirement contractual costs	0	0
Contractual payments in lieu of notice	0	0
Exit payments following Employment Tribunals or court orders	0	0
Non-contractual payments requiring Welsh Government Approval	0	0
Other please specify	0	0
Other please specify	0	0
Total	**0**	**0**

There were no exit packages agreed in 2024-25.

This disclosure provides detail for the number and value of exit packages agreed in the year.

As a single exit package can be made up of several components each of which will be counted separately in this Note, the total number above will not necessarily match the total numbers in Note 9.5.1 which will be the number of individuals.

9.6 Fair Pay disclosures

9.6.1 Remuneration Relationship

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director/employee in their organisation and the 25th percentile, median and 75th percentile remuneration of the organisation's workforce.

The Accountability Report shows that the full year equivalent salary for the Interim Medical Director was in the band £230 -235k. However, only £190-£195k of this related to the salary for the executive role of Interim Medical Director. Therefore the Chief Executive is

	2024-25	**2024-25**	**2024-25**	2023-24	2023-24	2023-24
	£000	**£000**	**£000**	£000	£000	£000
Total pay and benefits	**Chief Executive**	**Employee**	**Ratio**	Chief Executive	Employee	Ratio
25th percentile pay ratio	**228**	**24**	**9.50:1**	223	23	9.70:1
Median pay	**228**	**32**	**7.13:1**	223	29	7.69:1
75th percentile pay ratio	**228**	**47**	**4.85:1**	223	43	5.19:1
Salary component of total pay and benefits						
25th percentile pay ratio	**228**	**24**		223	23	
Median pay	**228**	**32**		223	29	
75th percentile pay ratio	**228**	**47**		223	43	

In 2024-25, 39 (2023-24, 35) employees received remuneration in excess of the highest-paid director.

Remuneration for all staff ranged from £23,970 to £353,573 (2023-24, £22,123 to £451,381).

The all staff range includes directors (including the highest paid director) and excludes pension benefits of all employees.

Financial Year Summary

The median pay of the workforce reflects, in part, the consolidated 5.5% increase with effect from 1 April 2024 for all AfC staff and any change in the composition of the workforce.

9.6.2 Percentage Changes	**2023-24**	2022-23
	to	to
	2024-25	2023-24
% Change from previous financial year in respect of Chief Executive	**%**	**%**
Salary and allowances	**2**	7
Performance pay and bonuses	**0**	0
Average % Change from previous financial year in respect of employees taken as a whole		
Salary and allowances	**11**	0
Performance pay and bonuses	**0**	0

9.7 Pension costs

Past and present employees are covered by the provisions of the NHS Pension Schemes. Details of the benefits payable and rules of the schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”.
An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary’s Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2025, is based on valuation data as at 31 March 2023, updated to 31 March 2025 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the Statement by the Actuary, which forms part of the annual NHS Pension Scheme Annual Report and Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (considering recent demographic experience), and to recommend the contribution rate payable by employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from 1 April 2024 to 23.7% of pensionable pay. The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates.

The 2024 actuarial valuation is currently being prepared and will be published before new contribution rates are implemented from April 2027.

c) National Employment Savings Trust (NEST)

NEST is a workplace pension scheme, which was set up by legislation and is treated as a trust-based scheme. The Trustee responsible for running the scheme is NEST Corporation. It's a non-departmental public body (NDPB) that operates at arm's length from government and is accountable to Parliament through the Department for Work and Pensions (DWP).

NEST Corporation has agreed a loan with the Department for Work and Pensions (DWP). This has paid for the scheme to be set up and will cover expected shortfalls in scheme costs during the earlier years while membership is growing.

NEST Corporation aims for the scheme to become self-financing while providing consistently low charges to members.

Using qualifying earnings to calculate contributions, currently the legal minimum level of contributions is 8% of a jobholder's qualifying earnings, for employers whose legal duties have started. The employer must pay at least 3% of this.

The earnings band used to calculate minimum contributions under existing legislation is called qualifying earnings. Qualifying earnings are currently those between £6,240 and £50,270 for the 2024-25 tax year (2023-24 £6,240 and £50,270).

Restrictions on the annual contribution limits were removed on 1 April 2017.

10. Public Sector Payment Policy - Measure of Compliance

10.1 Prompt payment code - measure of compliance

The Welsh Government requires that Health Boards pay all their trade creditors in accordance with the CBI prompt payment code and Government Accounting rules. The Welsh Government has set as part of the Health Board financial targets a requirement to pay 95% of the number of non-NHS creditors within 30 days of delivery.

	2024-25	**2024-25**	2023-24	2023-24
NHS	**Number**	**£000**	Number	£000
Total bills paid	3,603	369,876	3,667	340,738
Total bills paid within target	3,127	363,701	3,070	336,857
Percentage of bills paid within target	**86.8%**	**98.3%**	83.7%	98.9%
Non-NHS				
Total bills paid	236,022	504,712	274,883	665,346
Total bills paid within target	228,149	487,404	263,334	643,214
Percentage of bills paid within target	**96.7%**	**96.6%**	95.8%	96.7%
Total				
Total bills paid	**239,625**	**874,588**	278,550	1,006,084
Total bills paid within target	**231,276**	**851,105**	266,404	980,071
Percentage of bills paid within target	**96.5%**	**97.3%**	95.6%	97.4%

10.2 The Late Payment of Commercial Debts (Interest) Act 1998

	2024-25	2023-24
	£	£
Amounts included within finance costs (note 7) from claims made under this legislation	**0**	0
Compensation paid to cover debt recovery costs under this legislation	**0**	0
Total	**0**	**0**

11.1 Property, plant and equipment

2024-25

	Land £000	Buildings, excluding dwellings £000	Dwellings £000	Assets under construction & payments on account £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost or valuation at 1 April 2024	24,061	282,211	9,570	33,535	97,734	328	33,401	13,270	494,110
Indexation	114	3,564	172	0	0	0	0	0	3,850
Additions									
- purchased	0	2,315	0	23,999	9,062	0	4,288	1,229	40,893
- donated	0	0	0	2,126	629	0	0	0	2,755
- government granted	0	0	0	0	0	0	4	0	4
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Reclassifications	0	45,357	0	(45,357)	0	0	0	0	0
Revaluations	0	52	(210)	0	0	0	0	0	(158)
Reversal of impairments	143	2,488	0	0	0	0	0	0	2,631
Impairments	0	(34,107)	0	0	0	0	0	0	(34,107)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(3,175)	0	(5)	(2)	(3,182)
At 31 March 2025	24,318	301,880	9,532	14,303	104,250	328	37,688	14,497	506,796
Depreciation at 1 April 2024	0	18,044	843	0	71,439	136	23,916	10,003	124,381
Indexation	0	230	15	0	0	0	0	0	245
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	(610)	(376)	0	(26)	0	0	0	(1,012)
Reversal of impairments	0	95	0	0	0	0	0	0	95
Impairments	0	(5,809)	0	0	0	0	0	0	(5,809)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(3,141)	0	(5)	(2)	(3,148)
Provided during the year	0	11,099	526	0	8,458	36	3,576	1,467	25,162
At 31 March 2025	0	23,049	1,008	0	76,730	172	27,487	11,468	139,914
Net book value at 1 April 2024	24,061	264,167	8,727	33,535	26,295	192	9,485	3,267	369,729
Net book value at 31 March 2025	24,318	278,831	8,524	14,303	27,520	156	10,201	3,029	366,882
Net book value at 31 March 2025 comprises :									
Purchased	24,109	274,016	8,524	12,177	25,544	156	10,180	3,003	357,709
Donated	209	4,815	0	2,126	1,472	0	8	26	8,656
Government Granted	0	0	0	0	504	0	13	0	517
At 31 March 2025	24,318	278,831	8,524	14,303	27,520	156	10,201	3,029	366,882
Asset financing :									
Owned	24,318	278,831	8,524	14,303	27,520	156	10,201	3,029	366,882
On-SoFP MIMS Funded PPP contracts	0	0	0	0	0	0	0	0	0
On-SoFP PFI contracts	0	0	0	0	0	0	0	0	0
PFI residual interests	0	0	0	0	0	0	0	0	0
At 31 March 2025	24,318	278,831	8,524	14,303	27,520	156	10,201	3,029	366,882

The net book value of land, buildings and dwellings at 31 March 2025 comprises :

	£000
Freehold	307,590
Long Leasehold	4,083
Short Leasehold	0
	311,673

Valuers 'material uncertainty', in valuation. The disclosure relates to the materiality in the valuation report not that of the underlying account. 0

The land and buildings were revalued by the Valuation Office Agency with an effective date of 1 April 2022. The valuation hasbeen prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards. LHB s are required to apply the revaluation modelset out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in occupation.

11.1 Property, plant and equipment

2023-24	Land £000	Buildings, excluding dwellings £000	Dwellings £000	Assets under construction & payments on account £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost at 31 March bf	24,829	264,063	8,629	27,866	94,554	265	34,878	13,815	468,899
NHS Wales Transfers	0	0	0	0	0	0	0	0	0
Prepayments	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0	0	0
Cost or valuation at 1 April 2023	24,829	264,063	8,629	27,866	94,554	265	34,878	13,815	468,899
Indexation	(403)	6,985	515	0	0	0	0	0	7,097
Additions									
- purchased	0	1,058	0	34,204	4,775	63	3,385	479	43,964
- donated	0	0	0	110	675	0	3	11	799
- government granted	0	0	0	0	0	0	8	0	8
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Reclassifications	0	28,130	0	(28,645)	515	0	0	0	0
Revaluations	0	0	426	0	0	0	0	0	426
Reversal of impairments	0	8,794	0	0	0	0	0	0	8,794
Impairments	(365)	(26,819)	0	0	0	0	0	0	(27,184)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(2,785)	0	(4,873)	(1,035)	(8,693)
At 31 March 2024	**24,061**	**282,211**	**9,570**	**33,535**	**97,734**	**328**	**33,401**	**13,270**	**494,110**
Depreciation at 31 March bf	0	9,211	464	0	65,870	102	25,238	9,498	**110,383**
NHS Wales Transfers	0	0	0	0	0	0	0	0	**0**
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0	0	**0**
Depreciation at 1 April 2023	0	9,211	464	0	65,870	102	25,238	9,498	110,383
Indexation	0	261	28	0	0	0	0	0	289
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	0	(143)	0	(48)	0	0	0	(191)
Reversal of impairments	0	289	0	0	0	0	0	0	289
Impairments	0	(2,289)	0	0	0	0	0	0	(2,289)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(2,734)	0	(4,873)	(1,026)	(8,633)
Provided during the year	0	10,572	494	0	8,351	34	3,551	1,531	24,533
At 31 March 2024	**0**	**18,044**	**843**	**0**	**71,439**	**136**	**23,916**	**10,003**	**124,381**
Net book value at 1 April 2023	**24,829**	**254,852**	**8,165**	**27,866**	**28,684**	**163**	**9,640**	**4,317**	**358,516**
Net book value at 31 March 2024	**24,061**	**264,167**	**8,727**	**33,535**	**26,295**	**192**	**9,485**	**3,267**	**369,729**
Net book value at 31 March 2024 comprises :									
Purchased	**23,854**	**259,388**	**8,727**	**33,425**	**24,400**	**192**	**9,438**	**3,213**	**362,637**
Donated	**207**	**4,779**	**0**	**110**	**1,222**	**0**	**34**	**54**	**6,406**
Government Granted	**0**	**0**	**0**	**0**	**673**	**0**	**13**	**0**	**686**
At 31 March 2024	**24,061**	**264,167**	**8,727**	**33,535**	**26,295**	**192**	**9,485**	**3,267**	**369,729**
Asset financing :									
Owned	**24,061**	**264,167**	**8,727**	**33,535**	**26,295**	**192**	**9,485**	**3,267**	**369,729**
On-SoFP PFI contracts	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
PFI residual interests	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
At 31 March 2024	**24,061**	**264,167**	**8,727**	**33,535**	**26,295**	**192**	**9,485**	**3,267**	**369,729**

The net book value of land, buildings and dwellings at 31 March 2024 comprises :

	£000
Freehold	293,964
Long Leasehold	2,991
Short Leasehold	0
	296,955

Valuers 'material uncertainty', in valuation. The disclosure relates to the materiality in the valuation report not that of the underlying account. 0

The land and buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2022. The valuation h as been prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards. LHB s are required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in occupation.

11. Property, plant and equipment (continued)

Disclosures:

Disclosures:
i) Donated Assets
Hywel Dda University LHB has received the following donated assets during the year:

Hywel Dda General Fund Charity (1147863) Plant and Machinery	£502,082
Hywel Dda General Fund Charity (1147863) AUC	£2,106,266
Other Contributions	£146,235

ii) Valuations
The LHBs land and Buildings were revalued by the Valuation Office Agency with an effective date of 1 April 2022. The valuation has been prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards.

The LHB is required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value i s defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in operation.

iii) Asset Lives
Depreciated as follows:
- Land is not depreciated.
- Buildings as determined by the Valuation Office Agency.
- Equipment 5-15 years.

iv) Compensation
There has been no compensation received from third parties for assets impaired, lost or given up, that is included in the income statement.

v) Write Downs
There have not been write downs.

vi) The LHB does not hold any property where the value is materially different from its open market value.

vii) Assets Held for Sale or sold in the period.
There are not assets held for sale or sold in the period.

viii) IFRS 13 Fair value measurement
There are no assets requiring Fair Value measurement under IFRS 13.

11. Property, plant and equipment

11.2 Non-current assets held for sale

	Land	Buildings, including dwelling	Other property, plant and equipment	Intangible assets	Other assets	Total
	£000	£000	£000	£000	£000	£000
Balance brought forward 1 April 2024	0	0	0	0	0	**0**
Plus assets classified as held for sale in the year	0	0	0	0	0	**0**
Revaluation	0	0	0	0	0	**0**
Less assets sold in the year	0	0	0	0	0	**0**
Add reversal of impairment of assets held for sale	0	0	0	0	0	**0**
Less impairment of assets held for sale	0	0	0	0	0	**0**
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	0	0	0	**0**
Balance carried forward 31 March 2025	0	0	0	0	0	**0**
Balance brought forward 1 April 2023	0	0	0	0	0	**0**
Plus assets classified as held for sale in the year	0	0	0	0	0	**0**
Revaluation	0	0	0	0	0	**0**
Less assets sold in the year	0	0	0	0	0	**0**
Add reversal of impairment of assets held for sale	0	0	0	0	0	**0**
Less impairment of assets held for sale	0	0	0	0	0	**0**
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	0	0	0	**0**
Balance carried forward 31 March 2024	0	0	0	0	0	**0**

11.3 Right of Use Assets

The organisation's right of use asset leases are disclosed across the relevant headings within the note. None are individually insignificant.

2024-25	Land £000	Land & buildings £000	Buildings £000	Dwellings £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost or valuation at 1 April 2024	**223**	**7,998**	**0**	**0**	**2,765**	**1,111**	**894**	**0**	**12,991**
Additions	0	2,955	0	0	510	231	0	0	**3,696**
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	**0**
Disposals other than by sale	0	(72)	0	0	0	(66)	0	0	**(138)**
Reclassifications	0	0	0	0	0	0	0	0	**0**
Revaluations	0	0	0	0	0	0	0	0	**0**
Reversal of impairments	0	0	0	0	0	0	0	0	**0**
Impairments	0	0	0	0	0	0	0	0	**0**
De-recognition	0	0	0	0	0	0	0	0	**0**
At 31 March 2025	**223**	**10,881**	**0**	**0**	**3,275**	**1,276**	**894**	**0**	**16,549**
Depreciation at 1 April 2024	**25**	**2,444**	**0**	**0**	**713**	**551**	**291**	**0**	**4,024**
Recognition	0	0	0	0	0	0	0	0	**0**
Transfers from/into other NHS bodies	0	0	0	0	0	0	0	0	**0**
Disposals other than by sale	0	(30)	0	0	0	(66)	0	0	**(96)**
Reclassifications	0	0	0	0	0	(171)	171	0	**0**
Revaluations	0	0	0	0	0	0	0	0	**0**
Reversal of impairments	0	0	0	0	0	0	0	0	**0**
Impairments	0	0	0	0	0	0	0	0	**0**
De-recognition	0	0	0	0	0	0	0	0	**0**
Provided during the year	14	1,205	0	0	455	398	360	0	**2,432**
At 31 March 2025	**39**	**3,619**	**0**	**0**	**1,168**	**712**	**822**	**0**	**6,360**
Net book value at 1 April 2024	**198**	**5,554**	**0**	**0**	**2,052**	**560**	**603**	**0**	**8,967**
Net book value at 31 March 2025	**184**	**7,262**	**0**	**0**	**2,107**	**564**	**72**	**0**	**10,189**

RoU Asset Total Value Split by Lessor **Lessor**	**Land £000**	**Land & buildings £000**	**Buildings £000**	**Dwellings £000**	**Plant and machinery £000**	**Transport equipment £000**	**Information technology £000**	**Furniture & fittings £000**	**Total £000**
NHS Wales Peppercorn Leases	0	2	0	0	0	0	0	0	**2**
NHS Wales Market Value Leases	0	0	0	0	0	0	0	0	**0**
Other Public Sector Peppercorn Leases	33	0	0	0	0	0	0	0	**33**
Other Public Sector Market Value Leases	0	2,688	0	0	0	0	0	0	**2,688**
Private Sector Peppercorn Leases	134	0	0	0	0	0	0	0	**134**
Private Sector Market Value Leases	17	4,572	0	0	2,107	564	72	0	**7,332**
Total	**184**	**7,262**	**0**	**0**	**2,107**	**564**	**72**	**0**	**10,189**

11.3 Right of Use Assets

The organisation's right of use asset leases are disclosed across the relevant headings below. None are individually insignificant.

2023-24	Land £000	Land & buildings £000	Buildings £000	Dwellings £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost or valuation at 31 March 2023	223	7,704	0	0	2,249	545	496	0	**11,217**
Lease prepayments in relation to RoU Assets	0	0	0	0	0	0	0	0	**0**
Transfer of Finance Leases from PPE Note	0	0	0	0	0	0	0	0	**0**
Operating Leases Transitioning	0	0	0	0	0	0	0	0	**0**
Cost or valuation at 1 April 2023	**223**	**7,704**	**0**	**0**	**2,249**	**545**	**496**	**0**	**11,217**
Additions	0	294	0	0	516	737	398	0	**1,945**
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	**0**
Disposals other than by sale	0	0	0	0	0	-171	0	0	**-171**
Reclassifications	0	0	0	0	0	0	0	0	**0**
Revaluations	0	0	0	0	0	0	0	0	**0**
Reversal of impairments	0	0	0	0	0	0	0	0	**0**
Impairments	0	0	0	0	0	0	0	0	**0**
De-recognition	0	0	0	0	0	0	0	0	**0**
At 31 March 2024	**223**	**7,998**	**0**	**0**	**2,765**	**1,111**	**894**	**0**	**12,991**
Depreciation at 31 March 2023	11	1,199	0	0	317	228	177	0	**1,932**
Transfer of Finance Leases from PPE Note	0	0	0	0	0	0	0	0	**0**
Operating Leases Transitioning	0	0	0	0	0	0	0	0	**0**
Depreciation at 1 April 2023	**11**	**1,199**	**0**	**0**	**317**	**228**	**177**	**0**	**1,932**
Recognition	0	0	0	0	0	0	0	0	**0**
Transfers from/into other NHS bodies	0	0	0	0	0	0	0	0	**0**
Disposals other than by sale	0	0	0	0	0	0	-171	0	**-171**
Reclassifications	0	0	0	0	0	0	0	0	**0**
Revaluations	0	0	0	0	0	0	0	0	**0**
Reversal of impairments	0	0	0	0	0	0	0	0	**0**
Impairments	0	0	0	0	0	0	0	0	**0**
De-recognition	0	0	0	0	0	0	0	0	**0**
Provided during the year	14	1,245	0	0	396	323	285	0	**2,263**
At 31 March 2024	**25**	**2,444**	**0**	**0**	**713**	**551**	**291**	**0**	**4,024**
Net book value at 1 April 2023	**212**	**6,505**	**0**	**0**	**1,932**	**317**	**319**	**0**	**9,285**
Net book value at 31 March 2024	**198**	**5,554**	**0**	**0**	**2,052**	**560**	**603**	**0**	**8,967**

RoU Asset Total Value Split by Lessor Lessor	Land £000	Land & buildings £000	Buildings £000	Dwellings £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
NHS Wales Peppercorn Leases	0	3	0	0	0	0	0	0	**3**
NHS Wales Market Value Leases	0	0	0	0	0	0	0	0	**0**
Other Public Sector Peppercorn Leases	33	0	0	0	0	0	0	0	**33**
Other Public Sector Market Value Leases	0	636	0	0	0	0	0	0	**636**
Private Sector Peppercorn Leases	139	0	0	0	0	0	0	0	**139**
Private Sector Market Value Leases	26	4,915	0	0	2,052	731	432	0	**8,156**
Total	**198**	**5,554**	**0**	**0**	**2,052**	**731**	**432**	**0**	**8,967**

11.3 Right of Use Assets continued

Quantitative disclosures

Maturity analysis	**2024-25 Land**	**2024-25 Buildings**	**2024-25 Other**	**2024-25 Total**	**2023-24 Total**
Contractual undiscounted cash flows relating to lease liabilities	**£000**	**£000**	**£000**	**£000**	**£000**
Less than 1 year	9	1,382	1,106	2,497	2,379
2-5 years	8	3,272	2,074	5,354	6,002
> 5 years	0	1,944	16	1,960	2,047
Less finance charges allocated to future periods	0	(489)	(147)	(636)	(377)
Total	**17**	**6,109**	**3,049**	**9,175**	**10,051**

Lease Liabilities (net of irrecoverable VAT)	**2024-25**	**2023-24**
Current	2,338	2,253
Non-Current	6,837	7,798
Total	**9,175**	**10,051**

Amounts Recognised in Statement of Comprehensive Net Expenditure	**2024-25**	**2023-24**
Depreciation	2,432	2,263
Impairment	0	0
Variable lease payments not included in lease liabilities - Interest expense	156	124
Sub-leasing income	0	0
Expense related to short-term leases	303	171
Expense related to low-value asset leases (excluding short-term leases)	346	493

Amounts Recognised in Statement of Cashflows (net of irrecoverable VAT)		
Interest expense	(156)	(124)
Repayments of principal on leases	(2,354)	(2,151)
Total	**(2,510)**	**(2,275)**

12. Intangible non-current assets
2024-25

	Software (purchased)	Software (internally generated)	Licences and trademarks	Patents	Development expenditure-internally generated	Assets under Construction	Total
	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2024	7,053	0	77	0	0	0	7,130
Revaluation	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0
Additions- purchased	258	0	0	0	0	0	258
Additions- internally generated	0	0	0	0	0	0	0
Additions- donated	0	0	0	0	0	0	0
Additions- government granted	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0
Transfer from/into other NHS bodies	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0
Gross cost at 31 March 2025	7,311	0	77	0	0	0	7,388
Amortisation at 1 April 2024	4,631	0	77	0	0	0	4,708
Revaluation	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0
Impairment	0	0	0	0	0	0	0
Provided during the year	728	0	0	0	0	0	728
Reclassified as held for sale	0	0	0	0	0	0	0
Transfer from/into other NHS bodies	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0
Amortisation at 31 March 2025	5,359	0	77	0	0	0	5,436
Net book value at 1 April 2024	2,422	0	0	0	0	0	2,422
Net book value at 31 March 2025	1,952	0	0	0	0	0	1,952
NBV at 31 March 2025							
Purchased	1,945	0	0	0	0	0	1,945
Donated	4	0	0	0	0	0	4
Government Granted	3	0	0	0	0	0	3
Internally generated	0	0	0	0	0	0	0
Total at 31 March 2025	1,952	0	0	0	0	0	1,952

12. Intangible non-current assets
2023-24

	Software (purchased)	Software (internally generated)	Licences and trademarks	Patents	Development expenditure- internally generated	Assets under Construction	Total
	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2023	**6,009**	**0**	**77**	**0**	**0**	**0**	**6,086**
Revaluation	0	0	0	0	0	0	**0**
Reclassifications	0	0	0	0	0	0	**0**
Reversal of impairments	0	0	0	0	0	0	**0**
Impairments	0	0	0	0	0	0	**0**
Additions- purchased	1,038	0	0	0	0	0	**1,038**
Additions- internally generated	0	0	0	0	0	0	**0**
Additions- donated	6	0	0	0	0	0	**6**
Additions- government granted	0	0	0	0	0	0	**0**
Reclassified as held for sale	0	0	0	0	0	0	**0**
Transfer from/into other NHS bodies	0	0	0	0	0	0	**0**
Disposals	0	0	0	0	0	0	**0**
Gross cost at 31 March 2024	**7,053**	**0**	**77**	**0**	**0**	**0**	**7,130**
Amortisation at 1 April 2023	**3,913**	**0**	**77**	**0**	**0**	**0**	**3,990**
Revaluation	0	0	0	0	0	0	**0**
Reclassifications	0	0	0	0	0	0	**0**
Reversal of impairments	0	0	0	0	0	0	**0**
Impairment	0	0	0	0	0	0	**0**
Provided during the year	718	0	0	0	0	0	**718**
Reclassified as held for sale	0	0	0	0	0	0	**0**
Transfer from/into other NHS bodies	0	0	0	0	0	0	**0**
Disposals	0	0	0	0	0	0	**0**
Amortisation at 31 March 2024	**4,631**	**0**	**77**	**0**	**0**	**0**	**4,708**
Net book value at 1 April 2023	**2,096**	**0**	**0**	**0**	**0**	**0**	**2,096**
Net book value at 31 March 2024	**2,422**	**0**	**0**	**0**	**0**	**0**	**2,422**
NBV at 31 March 2024							
Purchased	2,410	0	0	0	0	0	**2,410**
Donated	6	0	0	0	0	0	**6**
Government Granted	6	0	0	0	0	0	**6**
Internally generated	0	0	0	0	0	0	**0**
Total at 31 March 2024	**2,422**	**0**	**0**	**0**	**0**	**0**	**2,422**

Additional Disclosures re Intangible Assets

Disclosures:
i) Donated Assets

Hywel Dda University LHB has not received any donated intangible assets during the year.

ii) Recognition

Intangible assets acquired separately are initially recognised at fair value. The amount recognised for internally-generated intangible assets is the sum of the expenditure incurred to date when the criteria for recognising internally generated assets has been met (see accounting policy 1.7 for criteria).

iii) Asset Lives

The useful economic life of Intangible non-current assets are assigned on an individual asset basis. Software is generally assigned a 5 year UEL and the UEL of internally generated software is based on the professional judgement of LHB professionals and Finance staff.

iv) Additions during the period

There were £258,000 of software additions in the period.

v) Disposals during the period

There were no disposals in the period.

vi) Transfers into other NHS Bodies

Hywel Dda LHB has not received any intangible assets transferred from another NHS body.
The gross carrying amount of fully amortised intangible assets still in use at 31 March 2025 was £3,771,807.

13 . Impairments

	2024-25 Property, plant & equipment £000	2024-25 Right of Use Assets £000	2024-25 Intangible assets £000	2024-25 Held for sale assets £000	2024-25 Financial Assets £000	2024-25 Total Asset Impairment £000
Impairments arising from :						
Loss or damage from normal operations	0	0	0	0	0	0
Abandonment in the course of construction	0	0	0	0	0	0
Over specification of assets (Gold Plating)	0	0	0	0	0	0
Loss as a result of a catastrophe	0	0	0	0	0	0
Unforeseen obsolescence	0	0	0	0	0	0
Changes in market price	0	0	0	0	0	0
Others (specify)	28,298	0	0	0	0	28,298
Reversal of Impairments	(2,536)	0	0	0	0	(2,536)
Total of all impairments	**25,762**	**0**	**0**	**0**	**0**	**25,762**
Analysis of impairments charged to reserves in year :						
Impairments charged to the Statement of Comprehensive Net Expenditure	25,762	0	0	0	0	25,762
Impairments as a result of revaluation/indexation charged to Revaluation Reserve	0	0	0	0	0	0
Impairments as a result of a loss of economic value or service potential Charged to Revaluation Reserve	0	0	0	0	0	0
Right of Use (RoU) asset impairments reflected in RoU Liability	0	0	0	0	0	0
Total	**25,762**	**0**	**0**	**0**	**0**	**25,762**

	2023-24 Property, plant & equipment £000	2023-24 Right of Use Assets £000	2023-24 Intangible assets £000	2023-24 Held for sale assets £000	2023-24 Financial Assets £000	2023-24 Total Asset Impairment £000
Impairments arising from :						
Loss or damage from normal operations	0	0	0	0	0	0
Abandonment in the course of construction	0	0	0	0	0	0
Over specification of assets (Gold Plating)	0	0	0	0	0	0
Loss as a result of a catastrophe	0	0	0	0	0	0
Unforeseen obsolescence	0	0	0	0	0	0
Changes in market price	0	0	0	0	0	0
Others (specify)	25,298	0	0	0	0	25,298
Reversal of Impairments	(8,506)	0	0	0	0	(8,506)
Total of all impairments	16,792	0	0	0	0	16,792
Analysis of impairments charged to reserves in year :						
Impairments charged to the Statement of Comprehensive Net Expenditure	16,389	0	0	0	0	16,389
Impairments as a result of revaluation/indexation charged to Revaluation Reserve	403	0	0	0	0	403
Impairments as a result of a loss of economic value or service potential Charged to Revaluation Reserve	0	0	0	0	0	0
Right of Use (RoU) asset impairments reflected in RoU Liability	0	0	0	0	0	0
Total	16,792	0	0	0	0	16,792

Other impairments above comprised of:
Revaluations of major capital schemes at completion:
- Glangwili Fire Improvements Phase 1 - £15.571m
- Withybush RAAC remedial work - £6.550m
- Withybush Fire Improvements Decant Ward - £5.255m
- Prince Philip Hospital Fire improvements - £0.922m

14.1 Inventories

	31 March 2025	31 March 2024
	£000	£000
Drugs	**6,171**	6,040
Consumables	**6,130**	5,378
Energy	**174**	198
Work in progress	**0**	0
Other	**0**	0
Total	**12,475**	11,616
Of which held at realisable value	**0**	0

14.2 Inventories recognised in expenses

	31 March 2025	31 March 2024
	£000	£000
Inventories recognised as an expense in the period	**0**	0
Write-down of inventories (including losses)	**0**	0
Reversal of write-downs that reduced the expense	**0**	0
Total	**0**	**0**

15. Trade and other Receivables

Current	31 March 2025 £000	31 March 2024 £000
Welsh Government	1,777	737
NWJCC/ WHSSC and EASC	108	362
Welsh Health Boards	1,420	1,714
Welsh NHS Trusts	1,873	3,096
Welsh Special Health Authorities	723	1,139
Non - Welsh Trusts	0	0
Other NHS	438	516
2019-20 Scheme Pays - Welsh Government Reimbursement	707	633
Welsh Risk Pool Claim reimbursement		
NHS Wales Secondary Health Sector	33,867	41,097
NHS Wales Primary Sector FLS Reimbursement	1,631	910
NHS Wales Redress	2,016	1,347
Other	0	0
Local Authorities	852	3,452
Capital receivables - Tangible	0	0
Capital receivables - Intangible	0	0
Other receivables	14,426	15,141
Provision for irrecoverable debts	(1,201)	(1,050)
Pension Prepayments NHS Pensions	0	0
Pension Prepayments NEST	0	0
Other prepayments	9,871	7,335
Other accrued income	0	0
Sub total	**68,508**	76,429
Non-current		
Welsh Government	0	0
NWJCC/WHSSC and EASC	0	0
Welsh Health Boards	0	0
Welsh NHS Trusts	0	0
Welsh Special Health Authorities	0	0
Non - Welsh Trusts	0	0
Other NHS	0	0
2019-20 Scheme Pays - Welsh Government Reimbursement	0	0
Welsh Risk Pool Claim reimbursement;		
NHS Wales Secondary Health Sector	59,117	54,652
NHS Wales Primary Sector FLS Reimbursement	3	12
NHS Wales Redress	2	0
Other	0	0
Local Authorities	0	0
Capital receivables - Tangible	0	0
Capital receivables - Intangible	0	0
Other receivables	0	0
Provision for irrecoverable debts	0	0
Pension Prepayments NHS Pensions	0	0
Pension Prepayments NEST	0	0
Other prepayments	0	0
Other accrued income	0	0
Sub total	**59,122**	54,664
Total	**127,630**	131,093

The great majority of trade is with other NHS bodies. As NHS bodies are funded by Welsh Government, no credit scoring of them is considered necessary.

The value of trade receivables that are past their payment date but not impaired is £0.49m (2023-24: £1.68m).

15. Trade and other Receivables (continued)

Receivables past their due date but not impaired

	31 March 2025 £000	31 March 2024 £000
By up to three months	370	1,072
By three to six months	21	484
By more than six months	100	129
	491	1,685

Expected Credit Losses (ECL) / Provision for impairment of receivables

Balance at 1 April	(1,050)	(930)
Transfer to other NHS Wales body	0	0
Amount written off during the year	100	51
Amount recovered during the year	0	0
(Increase) / decrease in receivables impaired	(251)	(171)
Bad debts recovered during year	0	0
Balance at 31 March	(1,201)	(1,050)

In determining whether a debt should be impaired, consideration is given to the age of the debt, historic collectability rates and the results of actions already taken including referral to the Health Board's credit agencies.

Receivables VAT

Trade receivables	1,307	1,969
Other	0	0
Total	**1,307**	1,969

16. Other Financial Assets

	Current		Non-current	
	31 March 2025 £000	31 March 2024 £000	**31 March 2025 £000**	31 March 2024 £000
Financial assets				
Shares and equity type investments				
Held to maturity investments at amortised costs	**0**	0	**0**	0
At fair value through SOCNE	**0**	0	**0**	0
Available for sale at FV	**0**	0	**0**	0
Deposits	**0**	0	**0**	0
Loans	**0**	0	**0**	0
Derivatives	**0**	0	**0**	0
Other (Specify)				
Right of Use Asset Finance Sublease	**148**	147	**826**	974
Held to maturity investments at amortised costs	**0**	0	**0**	0
At fair value through SOCNE	**0**	0	**0**	0
Available for sale at FV	**0**	0	**0**	0
Total	**148**	**147**	**826**	**974**

RoU Sub-leasing income Recognised in Statement of Comprehensive Net Expenditure	**2024-25**	**2023-24**
RoU Sub-leasing income	0	0

17. Cash and cash equivalents

	2024-25 £000	2023-24 £000
Balance at 1 April	**2,141**	3,944
Net change in cash and cash equivalent balances	**1,802**	(1,803)
Balance at 31 March	**3,943**	2,141
Made up of:		
Cash held at GBS	**2,378**	923
Commercial banks	**1,546**	1,200
Cash in hand	**19**	18
Cash and cash equivalents as in Statement of Financial Position	**3,943**	2,141
Bank overdraft - GBS	**0**	0
Bank overdraft - Commercial banks	**0**	0
Cash and cash equivalents as in Statement of Cash Flows	**3,943**	2,141

In response to the IAS 7 requirement for additional disclosure, the changes in liabilities arising for financing activities are;

Lease Liabilities (ROUA) £0.876m

The movement relates to cash, no comparative information is required by IAS 7 in 2024-25.

18. Trade and other payables

Current	**31 March 2025 £000**	31 March 2024 £000
Welsh Government	**7**	1
NWJCC/WHSSC and EASC	**2,505**	2,316
Welsh Health Boards	**4,317**	2,599
Welsh NHS Trusts	**2,583**	2,937
Welsh Special Health Authorities	**20**	1,318
Other NHS	**11,526**	9,969
Taxation and social security payable / refunds	**6,703**	6,100
Refunds of taxation by HMRC	**0**	0
VAT payable to HMRC	**0**	0
Other taxes payable to HMRC	**0**	0
NI contributions payable to HMRC	**6,260**	6,210
Non-NHS payables - Revenue	**35,782**	34,891
Local Authorities	**11,205**	18,884
Capital payables- Tangible	**13,735**	12,902
Capital payables- Intangible	**20**	938
Overdraft	**0**	0
Rentals due under operating leases	**0**	0
RoU Lease Liability	**2,338**	2,253
Obligations under finance leases, HP contracts		
Imputed finance lease element of on SoFP PFI contracts	**0**	0
Impact of IFRS 16 on SoFP PFI contracts	**0**	0
Pensions: staff	**0**	0
Non NHS Accruals	**55,843**	65,374
Deferred Income:		
Deferred Income brought forward	**1,212**	1,031
Deferred Income Additions	**881**	1,223
Transfer to / from current/non current deferred income	**0**	0
Released to SoCNE	**(1,220)**	(1,042)
Other creditors	**8,323**	12,284
PFI assets –deferred credits	**0**	0
Payments on account	**0**	0
Sub Total	**162,040**	180,188

Non-current		
Welsh Government	**0**	0
NWJCC/WHSSC and EASC	**0**	0
Welsh Health Boards	**0**	0
Welsh NHS Trusts	**0**	0
Welsh Special Health Authorities	**0**	0
Other NHS	**0**	0
Taxation and social security payable / refunds	**0**	0
Refunds of taxation by HMRC	**0**	0
VAT payable to HMRC	**0**	0
Other taxes payable to HMRC	**0**	0
NI contributions payable to HMRC	**0**	0
Non-NHS payables - Revenue	**0**	0
Local Authorities	**0**	0
Capital payables- Tangible	**0**	0
Capital payables- Intangible	**0**	0
Overdraft	**0**	0
Rentals due under operating leases	**0**	0
RoU Lease Liability	**6,837**	7,798
Obligations under finance leases, HP contracts		
Imputed finance lease element of on SoFP PFI contracts	**0**	0
Impact of IFRS 16 on SoFP PFI contracts	**0**	0
Pensions: staff	**0**	0
Non NHS Accruals	**0**	0
Deferred Income :		
Deferred Income brought forward	**0**	0
Deferred Income Additions	**0**	0
Transfer to / from current/non current deferred income	**0**	0
Released to SoCNE	**0**	0
Other creditors	**0**	0
PFI assets –deferred credits	**0**	0
Payments on account	**0**	0
Sub Total	**6,837**	7,798
Total	**168,877**	187,986

It is intended to pay all invoices within the 30 day period directed by the Welsh Government.

18. Trade and other payables (continued).

Amounts falling due more than one year are expected to be settled as follows:	**31 March 2025 £000**	31 March 2024 £000
Between one and two years	**1,965**	2,140
Between two and five years	**3,089**	3,651
In five years or more	**1,783**	2,007
Sub-total	**6,837**	7,798

19. Other financial liabilities

	Current		**Non-current**	
Financial liabilities	**31 March 2025 £000**	31 March 2024 £000	**31 March 2025 £000**	31 March 2024 £000
Financial Guarantees:				
At amortised cost	**0**	0	**0**	0
At fair value through SoCNE	**0**	0	**0**	0
Derivatives at fair value through SoCNE	**0**	0	**0**	0
Other:				
At amortised cost	**0**	0	**0**	0
At fair value through SoCNE	**0**	0	**0**	0
Total	**0**	0	**0**	0

20. Provisions

	At 1 April 2024	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2025
Current	£000	£000	£000	£000	£000	£000	£000	£000	£000
Clinical negligence:-									
Secondary care	22,263	0	(890)	100	9,994	(5,439)	(3,522)	0	22,506
Primary care	771	0	0	0	892	(93)	(20)	0	1,550
Redress Secondary care	954	0	(81)	0	932	(218)	(247)	0	1,340
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	2,155	0	0	13	437	(366)	(26)	51	2,264
All other losses and special payments	0	0	0	0	378	(378)	0	0	0
Defence legal fees and other administration	1,067	0	0	61	1,761	(816)	(279)		1,794
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	0			0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	11			32	0	(6)	0	0	37
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	0			0	0	0	0	0	0
Other	149		0	0	4,596	(304)	(93)		4,348
Total	27,370	0	(971)	206	18,990	(7,620)	(4,187)	51	33,839
Non Current									
Clinical negligence:-									
Secondary care	51,210	0	0	(100)	22,624	(1,710)	(14,293)	0	57,731
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	0	0	0	0	0	0	0	0	0
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	13	0	0	(13)	0	0	0	0	0
All other losses and special payments	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	618	0	0	(61)	317	(120)	(95)		659
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	0			0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	622			(32)	79	0	0	0	669
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	2,175	0	0	0	2,175
Other Capital Provisions	0			0	0	0	0	0	0
Other	551		0	0	0	0	(43)		508
Total	53,014	0	0	(206)	25,195	(1,830)	(14,431)	0	61,742
TOTAL									
Clinical negligence:-									
Secondary care	73,473	0	(890)	0	32,618	(7,149)	(17,815)	0	80,237
Primary care	771	0	0	0	892	(93)	(20)	0	1,550
Redress Secondary care	954	0	(81)	0	932	(218)	(247)	0	1,340
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	2,168	0	0	0	437	(366)	(26)	51	2,264
All other losses and special payments	0	0	0	0	378	(378)	0	0	0
Defence legal fees and other administration	1,685	0	0	0	2,078	(936)	(374)		2,453
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	0			0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	633			0	79	(6)	0	0	706
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	2,175	0	0	0	2,175
Other Capital Provisions	0			0	0	0	0	0	0
Other	700		0	0	4,596	(304)	(136)		4,856
Total	80,384	0	(971)	0	44,185	(9,450)	(18,618)	51	95,581

Expected timing of cash flows:

	In year to 31 March 2026	Between 1 April 2026 31 March 2030	Thereafter	Total
				£000
Clinical negligence:-				
Secondary care	22,506	57,731	0	80,237
Primary care	1,550	0	0	1,550
Redress Secondary care	1,340	0	0	1,340
Redress Primary care	0	0	0	0
Personal injury	2,264	0	0	2,264
All other losses and special payments	0	0	0	0
Defence legal fees and other administration	1,794	659	0	2,453
Pensions relating to former directors	0	0	0	0
Pensions relating to other staff	0	0	0	0
2019-20 Scheme Pays - Reimbursement	37	62	607	706
Restructuring	0	0	0	0
RoU Asset Dilapidations CAME	0	72	2,103	2,175
Other Capital Provisions	0	0	0	0
Other	4,348	508	0	4,856
Total	33,839	59,032	2,710	95,581

20. Provisions (continued)

	At 1 April 2023	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2024
Current	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Clinical negligence:-									
Secondary care	8,956	(13,309)	(2,932)	25,293	9,789	(4,918)	(616)	0	**22,263**
Primary care	161	0	0	0	815	(80)	(125)	0	**771**
Redress Secondary care	1,013	0	(43)	0	485	(113)	(388)	0	**954**
Redress Primary care	0	0	0	0	0	0	0	0	**0**
Personal injury	3,801	0	0	0	176	(905)	(965)	48	**2,155**
All other losses and special payments	0	0	0	0	306	(306)	0	0	**0**
Defence legal fees and other administration	835	0	0	299	1,025	(794)	(298)		**1,067**
Pensions relating to former directors	0			0	0	0	0	0	**0**
Pensions relating to other staff	6			0	9	(15)	0	0	**0**
2019-20 Scheme Pays - Reimbursement	9			4	0	(2)	0	0	**11**
Restructuring	0			0	0	0	0	0	**0**
RoU Asset Dilapidations CAME	0			0	0	0	0	0	**0**
Other Capital Provisions	0			0	0	0	0	0	**0**
Other	142		0	0	272	(160)	(105)		**149**
Total	**14,923**	**(13,309)**	**(2,975)**	**25,596**	**12,877**	**(7,293)**	**(2,497)**	**48**	**27,370**
Non Current									
Clinical negligence:-									
Secondary care	76,988	0	0	(25,293)	844	(948)	(381)	0	**51,210**
Primary care	0	0	0	0	0	0	0	0	**0**
Redress Secondary care	0	0	0	0	0	0	0	0	**0**
Redress Primary care	0	0	0	0	0	0	0	0	**0**
Personal injury	0	0	0	0	13	0	0	0	**13**
All other losses and special payments	0	0	0	0	0	0	0	0	**0**
Defence legal fees and other administration	776	0	0	(299)	260	(90)	(29)		**618**
Pensions relating to former directors	0			0	0	0	0	0	**0**
Pensions relating to other staff	0			0	0	0	0	0	**0**
2019-20 Scheme Pays - Reimbursement	595			(4)	31	0	0	0	**622**
Restructuring	0			0	0	0	0	0	**0**
RoU Asset Dilapidations CAME	0			0	0	0	0	0	**0**
Other Capital Provisions	0			0	0	0	0	0	**0**
Other	0		0	0	551	0	0		**551**
Total	**78,359**	**0**	**0**	**(25,596)**	**1,699**	**(1,038)**	**(410)**	**0**	**53,014**
TOTAL									
Clinical negligence:-									
Secondary care	85,944	(13,309)	(2,932)	0	10,633	(5,866)	(997)	0	**73,473**
Primary care	161	0	0	0	815	(80)	(125)	0	**771**
Redress Secondary care	1,013	0	(43)	0	485	(113)	(388)	0	**954**
Redress Primary care	0	0	0	0	0	0	0	0	**0**
Personal injury	3,801	0	0	0	189	(905)	(965)	48	**2,168**
All other losses and special payments	0	0	0	0	306	(306)	0	0	**0**
Defence legal fees and other administration	1,611	0	0	0	1,285	(884)	(327)		**1,685**
Pensions relating to former directors	0			0	0	0	0	0	**0**
Pensions relating to other staff	6			0	9	(15)	0	0	**0**
2019-20 Scheme Pays - Reimbursement	604			0	31	(2)	0	0	**633**
Restructuring	0			0	0	0	0	0	**0**
RoU Asset Dilapidations CAME	0			0	0	0	0	0	**0**
Other Capital Provisions	0			0	0	0	0	0	**0**
Other	142		0	0	823	(160)	(105)		**700**
Total	**93,282**	**(13,309)**	**(2,975)**	**0**	**14,576**	**(8,331)**	**(2,907)**	**48**	**80,384**

21. Contingencies

21.1 Contingent liabilities

Provisions have not been made in these accounts for the following amounts :	**2024-25 £'000**	2023-24 £'000
Legal claims for alleged medical or employer negligence:-		
Secondary care	**135,710**	128,790
Primary care	**1,694**	2,767
Redress Secondary care	**0**	0
Redress Primary care	**0**	0
Doubtful debts	**0**	0
Equal Pay costs	**0**	0
Defence costs	**2,173**	2,169
Continuing Health Care costs	**457**	606
Other	**0**	0
Total value of disputed claims	**140,034**	134,332
Amounts (recovered) in the event of claims being successful	**(137,440)**	(131,486)
Net contingent liability	**2,594**	2,846

21.2 Remote Contingent liabilities

	2024-25 £000	2023-24 £000
Guarantees	0	0
Indemnities	1,412	300
Letters of Comfort	0	0
Total	**1,412**	**300**

Remote contingent liabilities include nine claims against the Health Board (2023-24: one). Where these claims progress, the majority of the costs incurred (in excess of the £25k per claim attributable to the Health Board) will be recovered from the Welsh Risk Pool. The above amounts represent the remote contingent liabilities prior to any recovery of costs from the Welsh Risk Pool.

21.3 Contingent assets

	2024-25 £000	2023-24 £000
	0	0
Total	**0**	0

22. Capital commitments

Contracted capital commitments at 31 March

The disclosure of future capital commitments not already disclosed as liabilities in the accounts.

	2024-25 £000	2023-24 £000
Property, plant and equipment	2,057	5,209
Right of Use Assets	0	0
Intangible assets	0	0
Total	**2,057**	5,209

23. Losses and special payments

Losses and special payments are charged to the Statement of Comprehensive Net Expenditure in accordance with IFRS but are recorded in the losses and special payments register when payment is made. Therefore, the payments in this note for settlement and claimant costs are prepared on a cash basis.

Gross loss to the Exchequer

23.1 Number of cases and associated amounts paid out during the financial year

	Amounts paid out during period to 31 March 2025	
	Number of cases	**£**
Clinical negligence:-		
Secondary Care	70	7,148,630
Primary Care	3	92,500
Redress Secondary Care	25	217,774
Redress Primary Care	0	0
Personal injury	28	366,478
All other losses and special payments	211	378,116
Total	337	8,203,498

23.2 Analysis of number of cases and associated amounts paid out during the financial year

Case Type		In year cases in excess of £300,000		**Cumulative amount**
		L&R Case reference number	**£**	**£**
Cases in excess of £300,000:				
Clinical negligence:-				
	Secondary Care	MN/101/3356/AS	800,000	1,887,966
		MN/101/3984/EC	325,000	325,000
		MN/101/3051/EC	360,000	360,000
		MN/101/2121/CRM	350,000	350,000
		MN/101/3164/TT	569,250	569,250

	Number of cases	**£**	**£**
Sub-total	**5**	**2,404,250**	**3,492,216**
All other cases paid in year	332	5,799,248	16,596,786
Total cases paid in year	**337**	**8,203,498**	**20,089,002**

23.3 Analysis of number of cases and associated amounts where no payments were made in financial year

	Number of cases	**£**
Cumulative amount up to £300k	60	2,515,426
Cumulative amount greater than £300k	15	32,682,167
Total	**75**	**35,197,593**

24. Right of Use lease obligations

24.1 Obligations (as lessee)

Amounts payable under right of use asset leases:

2024-25

	LAND	BUILDINGS	OTHER	TOTAL
	31 March 2025	31 March 2025	31 March 2025	31 March 2025
Minimum lease payments	£000	£000	£000	£000
Within one year	9	1,382	1,106	**2,497**
Between one and five years	8	3,272	2,074	**5,354**
After five years	0	1,944	16	**1,960**
Less finance charges allocated to future periods	0	(489)	(147)	**(636)**
Minimum lease payments	**17**	**6,109**	**3,049**	**9,175**
Included in:				
Current borrowings	9	1,290	1,039	**2,338**
Non-current borrowings	8	4,819	2,010	**6,837**
	17	**6,109**	**3,049**	**9,175**
Present value of minimum lease payments				
Within one year	9	1,336	1,043	**2,388**
Between one and five years	8	3,049	1,877	**4,934**
After five years	0	1,557	13	**1,570**
Present value of minimum lease payments	**17**	**5,942**	**2,933**	**8,892**
Included in:				
Current borrowings	9	1,336	1,043	**2,388**
Non-current borrowings	8	4,606	1,890	**6,504**
	17	**5,942**	**2,933**	**8,892**

2023-24

	LAND	BUILDINGS	OTHER	TOTAL
	31 March 2024	31 March 2024	31 March 2024	31 March 2024
Minimum lease payments	£000	£000	£000	£000
Within one year	9	1,386	984	2,379
Between one and five years	18	3,776	2,208	6,002
After five years	0	1,766	281	2,047
Less finance charges allocated to future periods	(1)	(229)	(147)	(377)
Minimum lease payments	**26**	**6,699**	**3,326**	**10,051**
Included in:				
Current borrowings	9	1,323	921	**2,253**
Non-current borrowings	17	5,376	2,405	**7,798**
	26	**6,699**	**3,326**	**10,051**
Present value of minimum lease payments				
Within one year	9	1,357	952	2,318
Between one and five years	17	3,607	2,055	5,679
After five years	0	1,617	250	1,867
Present value of minimum lease payments	**26**	**6,581**	**3,257**	**9,864**
Included in:				
Current borrowings	9	1,357	952	**2,318**
Non-current borrowings	17	5,224	2,305	**7,546**
	26	**6,581**	**3,257**	**9,864**

24.2 Right of Use Assets receivables (as lessor)

The Health Board held two Right of Use Assets lease receivables, as a lessor, at the balance sheet date.

Amounts receivable under right of use assets :

	31 March 2025	31 March 2024
Gross Investment in leases	**£000**	£000
Within one year	**157**	157
Between one and five years	**608**	626
After five years	**240**	378
Less finance charges allocated to future periods	**(30)**	(40)
Minimum lease payments	**975**	**1,121**
Included in:		
Current financial assets	**148**	147
Non-current financial assets	**826**	974
	974	1,121
Present value of minimum lease payments		
Within one year	**151**	153
Between one and five years	**575**	597
After five years	**221**	350
Less finance charges allocated to future periods	**(30)**	(40)
Present value of minimum lease payments	**917**	1,060
Included in:		
Current financial assets	**143**	143
Non-current financial assets	**774**	917
	917	1,060

25. Private Finance Initiative contracts

25.1 PFI schemes off-Statement of Financial Position

The Health Board has no PFI Schemes.

Commitments under off-SoFP PFI contracts	Off-SoFP PFI contracts 31 March 2025 £000	Off-SoFP PFI contracts 31 March 2024 £000
Total payments due within one year	0	0
Total payments due between 1 and 5 years	0	0
Total payments due thereafter	0	0
Total future payments in relation to PFI contracts	0	0
Total estimated capital value of off-SoFP PFI contracts	0	0

25.2 PFI schemes on-Statement of Financial Position

The Health Board has no PFI Schemes.

Capital value of scheme included in Fixed Assets Note 11	£000
	0

Contract start date:
Contract end date:

Total obligations for on-Statement of Financial Position PFI contracts due:

2024-25	On SoFP PFI Capital element 31 March 2025 £000	On SoFP PFI IFRS 16 impact Finance Charge 31 March 2025 £000	On SoFP PFI Imputed interest 31 March 2025 £000	On SoFP PFI Service charges 31 March 2025 £000
Total payments due within one year	0	0	0	0
Total payments due between 1 and 5 years	0	0	0	0
Total payments due thereafter	0	0	0	0
Total future payments in relation to PFI contracts	0	0	0	0

2023-24	On SoFP PFI Capital element 31 March 2024 £000	On SoFP PFI IFRS 16 impact Finance Charge 31 March 2024 £000	On SoFP PFI Imputed interest 31 March 2024 £000	On SoFP PFI Service charges 31 March 2024 £000
Total payments due within one year	0	0	0	0
Total payments due between 1 and 5 years	0	0	0	0
Total payments due thereafter	0	0	0	0
Total future payments in relation to PFI contracts	0	0	0	0

	31/03/2025 £000
Total present value of obligations for on-SoFP PFI contracts	0

25.3 Charges to expenditure	2024-25	2023-24
	£000	£000
Service charges for On Statement of Financial Position PFI contracts (excl interest costs)	0	0
Total expense for Off Statement of Financial Position PFI contracts	0	0
The total charged in the year to expenditure in respect of PFI contracts	0	0

The LHB is committed to the following annual charges

PFI scheme expiry date:	£000	£000
Not later than one year	0	0
Later than one year, not later than five years	0	0
Later than five years	0	0
Total	0	0

The estimated annual payments in future years will vary from those which the Health Board is committed to make during the next year by the impact of movement in the Retail Prices Index.

25.4 Number of PFI contracts

	Number of on SoFP PFI contracts	Number of off SoFP PFI contracts
Number of PFI contracts	0	0
Number of PFI contracts which individually have a total commitment > £500m	0	0

PFI Contract	On / Off-statement of financial position
Number of PFI contracts which individually have a total commitment > £500m	0

PFI Contract	On/Off

25.5 The Health Board did not have any Public Private Partnerships during the year.

26. Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking it's activities. The Health Board is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which these standards mainly apply. The Health Board has limited powers to invest and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Health Board in undertaking its activities.

Currency risk

The Health Board is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the United Kingdom and Sterling based. The Health Board does not have any overseas operations. The Health Board therefore has low exposure to currency rate fluctuations.

Interest rate risk

Health Boards are not permitted to borrow and the Health Board therefore has low exposure to interest rate fluctuations.

Credit risk

As the majority of the Health Board's funding derives from funds voted by the Welsh Government the Health Board has low exposure to credit risk.

Liquidity risk

The Health Board is required to operate within cash limits set by the Welsh Government for the financial year and draws down funds from the Welsh Government as the requirement arises. The Health Board is not, therefore, exposed to significant liquidity risks.

27. Movements in working capital

	2024-25 £000	2023-24 £000
(Increase)/decrease in inventories	(859)	(74)
(Increase)/decrease in trade and other receivables - non-current	(4,310)	23,022
(Increase)/decrease in trade and other receivables - current	7,920	(19,243)
Increase/(decrease) in trade and other payables - non-current	(961)	(603)
Increase/(decrease) in trade and other payables - current	(18,148)	(6,439)
Total	(16,358)	(3,337)
Adjustment for accrual movements in fixed assets - creditors	85	417
Adjustment for accrual movements in fixed assets - debtors	0	0
Adjustment for accrual movements in right of use assets - creditors	876	351
Adjustment for accrual movements in right of use assets - debtors	(147)	(145)
Other adjustments	1	0
	(15,543)	(2,714)

28. Other cash flow adjustments

	2024-25 £000	2023-24 £000
Depreciation	27,594	26,796
Amortisation	728	718
(Gains)/Loss on Disposal	(22)	(17)
Impairments and reversals	25,762	16,390
Release of PFI deferred credits	0	0
NWSSP Covid assets issued debited to expenditure but non-cash	0	0
Covid assets received credited to revenue but non-cash	0	0
Donated assets received credited to revenue but non-cash	(2,755)	(805)
Government Grant assets received credited to revenue but non-cash	(4)	(8)
Right of Use Grant (Peppercorn Lease) credited to revenue but non cash	0	0
Non-cash movements in right of use assets	(2,028)	0
Non-cash movements in provisions	24,647	(4,568)
Other movements	40,327	25,059
Total	114,249	63,565

Other movements are Notional funding received for the

- LHB notional 9.4% Staff Employer Pension Contributions £40,322,000 and
- 2019/20 Pensions Annual Allowance Charge Compensation Scheme £5,000

funded directly to the NHSBA Pensions Division by Welsh Government.

29. Events after the Reporting Period

These financial statements were authorised for issue by the Chief Executive and Accountable Officer on 26 June 2025; post the date the financial statements were certified by the Auditor General for Wales.

30. Related Party Transactions

A number of the LHB's Board members have interests in related parties as follows:

Name	Details	Interests
Alwena Hughes Moakes	Communications and Engagement Director	Close family member is employed by Aberystwyth University
Andrew Carruthers	Director of Operations	Close family member is employed by NHS Wales Executive
Ann Murphy	Independent Member	Member of Royal College of Nursing
Chantal Patel	Independent Member	Associate Professor, Swansea University
Delyth Raynsford	Independent Member	Close family member is employed by HDdUHB
Huw Thomas	Director of Finance	Close family member is employed by Carmarthenshire County Council Close family member is employed by HDdUHB Honorary Professor in Aberystwyth University
Iwan Thomas	Independent Member	Independent Board Member on Pembrokeshire College Board (Chair)
Joanne Wilson	Director of Corporate Governance / Board Secretary	Close family member is employed by HDdUHB
Lee Davies	Director of Strategy and Planning	Close family member is employed in a GP practice within HDdUHB
Lisa Gostling	Director of Workforce and OD and Deputy Chief Executive	Governor at Pembrokeshire College Close family members employed by HDdUHB
Mark Henwood	Interim Medical Director	Clinical Chair of the Werndale Hospital (part of the Circle Group)
Maynard Davies	Independent Member	Member of the Information Governance Review Panel for the SAIL Databank run by Swansea University
Michael Gray	Associate Member	Director of Social Services Pembrokeshire County Council
Philip Kloer	Chief Executive	Honorary Professor, Swansea University Medical School Member of Council of St John, Carmarthen
Rhodri Evans	Independent Member	Ceredigion County Councillor Close family member is employed by Audit Wales
Winston Weir	Independent Member	Close family member is an associate professor, at the University of Birmingham

Total value of transactions are with entities at which Board members and key senior staff have influential interests in 2024-25:

List of suppliers from above	Expenditure to related party £000	Income from related party £000	Amounts owed to related party £000	Amounts due from related party £000
Aberystwyth University	184	-	-	-
Audit Wales	636	-	-	-
Carmarthenshire County Council	27,138	1,455	6,889	478
Ceredigion County Council	10,968	386	1,931	112
Pembrokeshire College	70	-	-	-
Pembrokeshire County Council	32,757	3,792	2,359	261
Royal College of Nursing	8	-	-	-
St John Cymru-Wales	109	-	-	-
Swansea University	1,131	75	21	1
University of Birmingham	21	14	-	2
Werndale	669	12	182	32
	73,691	**5,734**	**11,382**	**886**

Hywel Dda University Health Board is the Corporate Trustee of Hywel Dda Health Charities. During the year, the Health Board received £2,608,348 of donated assets from the Charity.
During the year the Health Board made payments on behalf of the Charity. As at 31 March 2025 a balance of £431,730 was owed to the Health Board by the Charity.

The Welsh Government is regarded as a related party of the Health Board. During the year the Health Board had a significant number of material revenue and capital transactions with either the Welsh Government or with other entities for which the Welsh Government is regarded as the parent body, namely:

Related Party	Expenditure to related party £000	Income from related party £000	Amounts owed to related party £000	Amounts due from related party £000
Welsh Government	2	1,316,269	7	1,777
Aneurin Bevan University Health Board	377	438	33	17
Betsi Cadwaladr University Health Board	321	5,677	25	440
Cardiff & Vale University Health Board	8,366	679	757	57
Cwm Taf Morgannwg University Health Board	868	632	74	70
Digital Health & Care Wales (DHCW)	7,184	747	8	104
Health Education & Improvement Wales (HEIW)	28	12,039	12	619
NHS Wales Joint Commissioning Committee	142,225	3,470	2,505	108
Powys Teaching Health Board	543	10,579	53	630
Public Health Wales NHS Trust	2,835	3,828	227	466
Swansea Bay University Health Board	47,361	5,701	3,374	207
Velindre NHS Trust	35,768	4,833	2,333	1,369
Welsh Ambulance Services Trust	1,660	111	24	38
	247,538	**1,365,003**	**9,432**	**5,902**

31. Third Party assets

The LHB held £1,367,121 cash at bank and in hand at 31 March 2025 (31 March 2024, £1,308,415) which relates to monies held by the LHB on behalf of patients. Cash held in patient Investment Accounts amounted to £1,130,920 at 31 March 2025 (31 March 2024, £1,035,355). This has been excluded from the Cash and Cash equivalents figure reported in the accounts.

32. Pooled budgets

Under Section 33 of the NHS (Wales) 2006 Act the Health Board has entered in to multiple pooled budget arrangements with local authorities and accounts for its share of the assets, liabilities, income and expenditure arising from the activities of the pooled budget, identified in accordance with the pooled budget agreement. The financial operation of the pooled budget is governed by a pooled budget agreement between the various local authorities and the Health Board.

Carmarthenshire County Council:

On 1 October 2009 the Health Board entered into a pooled budget arrangement for the provision of an integrated community joint equipment store. The pool is hosted by the local authority and a memorandum note to the final accounts will provide details of the joint income and expenditure. Payments for services provided by the local authority in the sum of £887,092 (2024 - £648,941) are accounted for as expenditure in the accounts of the Health Board.

In addition, on the 3 March 2011 the Health Board entered into a pooled budget arrangement for the provision of Carmarthenshire Community Health and Social Care services. The Section 33 agreement only provided the framework for taking forward future schedules and therefore references all community based health, social care (adults & children) and related housing and public protection services so that if any future developments are considered, a separate agreement will not have to be prepared. There are currently no pooled budgets related to this agreement.

Ceredigion County Council:

On 1 April 2009 the Health Board entered into a pooled budget arrangement for the provision of an integrated community joint equipment store. The pool is hosted by the local authority and a memorandum note to the final accounts will provide details of the joint income and expenditure. Payments for services provided by the local authority in the sum of £446,627 (2024 - £418,000) are accounted for as expenditure in the accounts of the Health Board.

Pembrokeshire County Council:

On 31 March 2011 the Health Board entered into a pooled budget arrangement for the provision of an integrated community joint equipment store. The pool is hosted by the local authority and a memorandum note to the final accounts will provide details of the joint income and expenditure. Payments for services provided by the local authority in the sum of £397,040 (2024 - £312,309) are accounted for as expenditure in the accounts of the Health Board.

33. Operating segments

Accounting standard IFRS 8 defines an operating segment as a component of an entity.

The Health Board has no operating segments requiring disclosure.

34. Other Information

34.1. 9.4% Staff Employer Pension Contributions - Notional Element

The value of notional transactions is based on estimated costs for the twelve month period 1 April 2024 to 31st March 2025. This has been calculated from actual Welsh Government expenditure for the 9.4% staff employer pension contributions between April 2024 and February 2025 alongside Health Board data for March 2025.

Transactions include notional expenditure in relation to the 9.4% paid to NHSBSA by Welsh Government and notional funding to cover that expenditure as follows:

	2024-25	2023-24
Statement of Comprehensive Net Expenditure for the year ended 31 March 2025	**£000**	**£000**
Expenditure on Primary Healthcare Services	**663**	343
Expenditure on healthcare from other providers	**0**	0
Expenditure on Hospital and Community Health Services	**39,659**	24,714
Statement of Changes in Taxpayers' Equity for the year ended 31 March 2025		
Net operating cost for the year	**40,322**	25,057
Notional Welsh Government Funding	**40,322**	25,057
Statement of Cash Flows for year ended 31 March 2025		
Net operating cost for the financial year	**40,322**	25,057
Other cash flow adjustments	**40,322**	25,057
2.1 Revenue Resource Performance		
Revenue Resource Allocation	**40,322**	25,057
3. Analysis of gross operating costs		
3.1 Expenditure on Primary Healthcare Services		
General Medical Services	**663**	343
Pharmaceutical Services	**0**	0
General Dental Services	**0**	0
Other Primary Health Care expenditure	**0**	0
3.2 Expenditure on healthcare from other providers		
	0	0
	0	0
3.3 Expenditure on Hospital and Community Health Services		
Directors' costs	**421**	210
Staff costs	**38,302**	24,349
Single Lead Employer staff trainee costs	**936**	498
9.1 Employee costs		
Permanent Staff		
Employer contributions to NHS Pension Scheme	**40,322**	25,057
Charged to capital	**69**	71
Charged to revenue	**40,253**	24,986
18. Trade and other payables		
Current		
Pensions: staff	**0**	0
28. Other cash flow adjustments		
Other movements	**40,322**	25,057

The Department of Health and Social Care (DHSC) 2023-24 consultation on the NHS Pension Scheme confirmed that the transitional approach that has operated since 2019-20 for employer contributions will continue in 2024-25. From 1 April 2024 an employer rate of 23.7% (23.78% inclusive of the administration charge) will apply. However, the NHS Business Services Authority will continue to only collect 14.38% from NHS Wales employers under their normal monthly payment process to the NHS Pension Scheme. This has a resulted in an increase in the central payments made by Welsh Government from 6.3% to 9.4%.

Other

34.2 IFRS 17 - Insurance Contract Disclosures

The outcome of the contract review for a range of income contract types applicable to the organisation, did not identify any insurance contracts that fall within the scope of IFRS 17.

STATEMENT OF FINANCIAL POSITION

(Signage as per provision note disclosure)	£000
Liability for incurred claims @ 1 April 2024	0
Liability for remaining payments @ 31 March 2025	0
	0
Arising during year	0
Utiised	0
Reversed unused	0
Movement in Discount Rates	0
	0

STATEMENT OF COMPREHENSIVE NET EXPENDITURE / STATEMENT OF COMPREHENSIVE INCOME *Delete as appropriate

(Signage as per income and expenditure note disclosure)	£000
Insurance Income	0
Insurance expenditure	0

THE NATIONAL HEALTH SERVICE IN WALES ACCOUNTS DIRECTION GIVEN BY WELSH MINISTERS IN ACCORDANCE WITH SCHEDULE 9 SECTION 178 PARA 3(1) OF THE NATIONAL HEALTH SERVICE (WALES) ACT 2006 (C.42) AND WITH THE APPROVAL OF TREASURY

LOCAL HEALTH BOARDS

1. Welsh Ministers direct that an account shall be prepared for the financial year ended 31 March 2011 and subsequent financial years in respect of the Local Health Boards (LHB)1, in the form specified in paragraphs [2] to [7] below.

BASIS OF PREPARATION

2. The account of the LHB shall comply with:

(a) the accounting guidance of the Government Financial Reporting Manual (FReM), which is in force for the financial year in which the accounts are being prepared, and has been applied by the Welsh Government and detailed in the NHS Wales LHB Manual for Accounts;

(b) any other specific guidance or disclosures required by the Welsh Government.

FORM AND CONTENT

3. The account of the LHB for the year ended 31 March 2011 and subsequent years shall comprise a statement of comprehensive net expenditure, a statement of financial position, a statement of cash flows and a statement of changes in taxpayers' equity as long as these statements are required by the FReM and applied by the Welsh Assembly Government, including such notes as are necessary to ensure a proper understanding of the accounts.

4. For the financial year ended 31 March 2011 and subsequent years, the account of the LHB shall give a true and fair view of the state of affairs as at the end of the financial year and the operating costs, changes in taxpayers' equity and cash flows during the year.

5. The account shall be signed and dated by the Chief Executive of the LHB.

MISCELLANEOUS

6. The direction shall be reproduced as an appendix to the published accounts.

7. The notes to the accounts shall, inter alia, include details of the accounting policies adopted.

Signed by the authority of Welsh Ministers

Signed : Chris Hurst Dated :

1. Please see regulation 3 of the 2009 No.1559 (W.154); NATIONAL HEALTH SERVICE, WALES; The Local Health Boards (Transfer of Staff, Property, Rights and Liabilities) (Wales) Order 2009.

9

13:00, 0 Mins

9 - Post Payment Verification

9.1

13:00, 0 Mins

9.1 - Post Payment Verification (PPV) Annual Report

DEFERRED to 12 August 2025 meeting

For assurance

9.2 - Primary Care PPV Report

DEFERRED to 12 August 2025 meeting

For information

10

13:00, 0 Mins

10 - For Information

10.1 **13:00, 0 Mins**

10.1 - ARAC Workplan 2025/26

For information

Attachments

10.1 Audit Work Programme 2025-26.pdf

HYWEL DDA UNIVERSITY HEALTH BOARD – AUDIT & RISK ASSURANCE COMMITTEE DRAFT ANNUAL WORK PLAN 2025/26

The proposed work programme is aligned to the requirements of the 2012 Revised NHS Wales Audit Committee Handbook, Draft Terms of Reference and example agenda and timetable.

AGENDA ITEM/ISSUE	LEAD	15 April 2025	8 May 2025	24 June 2025	12 Aug 2025	14 Oct 2025	9 Dec 2025	10 Feb 2026	April 2026
INTRODUCTIONS									
Apologies	**Chair**	✓	✓	✓	✓	✓	✓	✓	✓
Declaration of Interests	**All**	✓	✓	✓	✓	✓	✓	✓	✓
GOVERNANCE									
Minutes from previous meeting	**Chair**	✓		✓	✓	✓	✓	✓	✓
Matters Arising & Table of Actions	**Chair**	✓		✓	✓	✓	✓	✓	✓
Matters Arising not on agenda	**Chair**	✓		✓	✓	✓	✓	✓	✓
Self-Assessment of Committee's effectiveness	**Chair**			D	✓		✓		
Escalation Status Update	**PK/LD/SA**	✓		✓	✓	✓	✓	✓	✓
Review and report upon the adequacy of arrangements for declaring, registering and handling interests	**JW**		✓						✓
Receive full report of all offers of gifts and hospitality	**JW**		✓						✓
Compliance with Ministerial Directions	**JW**		✓						
Compliance with Welsh Health Circulars (WHCs)	**JW**		✓						
Review ARAC Annual Report	**Chair**		✓						
Review Board Effectiveness Report	**JW**		✓						
Review Accountability Report, incl Annual Governance Statement	**JW**		✓ (Draft)	✓ (Final)					
Review Annual Head of Internal Audit Report and Opinion (incl Capital/PFI)	**JJ**		✓ (Draft)	✓ (Final)					
Internal Audit: Annual Governance Statement Review	**JJ**		✓	✓					
Review, agree and recommend to the Board the audited accounts & financial statements	**HT**		✓ (Draft)	✓ (Final)					

AGENDA ITEM/ISSUE	LEAD	15 April 2025	8 May 2025	24 June 2025	12 Aug 2025	14 Oct 2025	9 Dec 2025	10 Feb 2026	April 2026
Audit Enquiries to those charged with Governance and Management	**HT**		✓						
Audit Wales ISA 260 incl Letter of Representation	**Audit Wales**			✓					
Review the Health Board's Annual Report (Overview & Perf Section)	**HT**		✓ (Draft)	✓ (Final)					
Review changes to Standing Orders & Standing Financial Instructions*	**JW**	✓ (SOs)		✓ (SFIs)					
Annual Review of Standing Orders and Standing Financial Instructions	**JW**	✓ (SOs)		✓ (SFIs)					✓
Scheme of Delegation	**JW**	✓							
Annual Review of Terms of Reference/membership	**Chair/JW**			✓					
All Wales NHS Audit Committee Chairs' Meeting Update	**Chair**				✓	✓	✓	✓	✓
Review of any other sources of external assurance to ensure approp planning & coordination and that the Board is informed accordingly of any issues relating to compliance, risks of non-compliance & recommendations	**All**	✓	✓	✓	✓	✓	✓	✓	✓
Provide assurances through where a significant activity is shared with another organisation (eg NWSSP, JCC)	**HT/SM**	✓	✓	✓	✓	✓	✓	✓	✓
Receive assurances from internal audit performed at these organisations that risks in the services provided to them are adequately managed and mitigated with appropriate controls	**JJ**	✓	✓	✓	✓	✓	✓	✓	✓
Review of Capital & PFI Audit Reports including results & the adequacy of executive & management responses to any issues identified and ensuring that they are acted upon	**EJ**	✓	✓	✓	✓	✓	✓	✓	✓

AGENDA ITEM/ISSUE	LEAD	15 April 2025	8 May 2025	24 June 2025	12 Aug 2025	14 Oct 2025	9 Dec 2025	10 Feb 2026	April 2026
AUDIT WALES									
Review External Audit Plan via update reports	**Audit Wales**	✓		✓	✓	✓	✓	✓	✓
Approve External Audit Strategy & Annual Audit Plan (designed to implement the strategy) & assoc fees	**Audit Wales**	✓						✓	✓
Review of External Audit Reports including results & the adequacy of executive & mgmt responses to any issues identified and ensure that the other Cttees monitor & report back	**Audit Wales**	✓		✓	✓	✓	✓	✓	✓
Consider any Audit Wales National Value for Money Examinations & Performance Reports	**Audit Wales**	✓		✓	✓	✓	✓	✓	✓
Receive the Auditor's General report to those charged with governance (Year-end)	**Audit Wales**		✓						
Structured Assessment 2024 Management Response Update	**Audit Wales/JW**				✓			✓	
Structured Assessment 2025	**Audit Wales**						✓	✓	
Review of Urgent and Emergency Care (Part 1 and Part 2)	**Audit Wales/AC**	D		✓	✓				
Planned Care Review	**Audit Wales/AC**	D		✓					
Review of Capital Investment Prioritisation	**Audit Wales/LD**			✓					
Cancer Services in Wales: A review of the strategic approach to improving the timeliness of diagnosis and treatment	**Audit Wales/AC**	✓							
Deep Dive - Review of Investment in Digital Systems	**Audit Wales/HT**				D		✓		
Review of the Management of Outpatients	**Audit Wales/AC**				D	✓			

AGENDA ITEM/ISSUE	LEAD	15 April 2025	8 May 2025	24 June 2025	12 Aug 2025	14 Oct 2025	9 Dec 2025	10 Feb 2026	April 2026
Deep Dive - Review of the Arrangements to Manage Estates	**Audit Wales/JS**			TBC					
Review of Cancer Services	**Audit Wales/AC**			TBC					
Review of Radiology Services	**Audit Wales/AC**			TBC					
INTERNAL AUDIT									
Internal Audit: Audit Plan Progress Report	**JJ**	✓	✓	✓	✓	✓	✓	✓	✓
Review and approve Annual Internal Audit Plan	**JJ**	✓							✓
Review of Internal Audit Reports including results & the adequacy of executive & management responses to any issues identified and ensuring that they are acted upon	**JJ**	✓	✓	✓	✓	✓	✓	✓	✓
Review and approve Internal Audit terms of reference (charter) and the effectiveness of internal audit	**JJ**	✓							
Learning Lessons (Reasonable Assurance)	**JJ/SD**	✓							
Elective Waiting List Management (Substantial Assurance)	**JJ/AC**	✓							
Consultant Job Planning Follow-up (Reasonable Assurance)	**JJ/MH**	✓							
Financial Management (Reasonable Assurance)	**JJ/HT**	✓							
Performance Management (Substantial Assurance)	**JJ/HT**	✓							
Executive Team Governance (Substantial Assurance)	**JJ/PK/JW**	D	✓						
Annual Planning (Reasonable Assurance)	**JJ/LD**	D	✓						
Digital Strategic Partner (Substantial Assurance)	**JJ/HT**		✓						

AGENDA ITEM/ISSUE	LEAD	15 April 2025	8 May 2025	24 June 2025	12 Aug 2025	14 Oct 2025	9 Dec 2025	10 Feb 2026	April 2026
Discharge Management Follow-up (Advisory Report)	**JJ/AC**			✓					
Standards of Cleanliness Follow-up (Limited Assurance)	**JJ/AC/JS**	D	D	✓					
Withybush Hospital (WGH) RAAC (Reasonable Assurance)	**JJ/AC/JS**	D	D	✓					
Continuing Healthcare – Database Maintenance and Finance Processes (Substantial Assurance)	**JJ/HT**	D	D	✓					
Contract Management (Advisory Report)	**JJ/HT**			✓					
Follow Up Review (Reasonable Assurance)	**JJ/JW**			✓					
Primary Care Strategy including Managed Practices	**JJ/JP**								
Medical Workforce (Medical Locums Planned Care)	**JJ/MH**								
CLINICAL AUDIT									
Review annual forward clinical audit plan and terms of reference	**SD**	✓			✓		✓		
Review the effectiveness of clinical audit – consider recs from the ECPG on suggested areas of activity for review by internal audit	**SD**	✓					✓		✓
FINANCIAL FOCUS									
Review risks and controls around financial management (via Financial Assurance Report)	**HT**	✓		✓	✓	✓	✓	✓	✓
Review Annual Summary of Single Tender Actions (STAs)	**HT**			✓					
Receive Post Payment Verification (PPV) report	**HT**			D	✓		✓		
Receive PPV annual report	**HT**			D	✓				
Receive Primary Care PPV report	**JP**			D	✓		✓		

AGENDA ITEM/ISSUE	LEAD	15 April 2025	8 May 2025	24 June 2025	12 Aug 2025	14 Oct 2025	9 Dec 2025	10 Feb 2026	April 2026
Annual statement of financial procedures	**HT**							✓	
Review of Schedule of Losses & Compensation*	**HT**								
Receive reports which record the basis of decisions where the HB awards additional funding to contractors outside the terms of the contract *	**HT**								
COUNTER FRAUD									
Review work plan & results from Counter Fraud activities, including anti fraud policies, etc.	**CFO**	✓		✓	✓	✓	✓	✓	✓
To provide an update on the cases highlighted as part of the counter fraud update report (In-Committee)	**CFO**	✓		✓	✓	✓	✓	✓	✓
Review and approve Counter Fraud Annual Report	**CFO**	✓							✓
Review and approve annual forward work plan for Counter Fraud activities	**CFO**	✓							✓
NHS CF Authority SRT Return	**CFO**	✓							✓
Right To Work Governance and Checks (In-Committee)	**AC/RE**	✓		✓					
Annual Review of Requisitions	**CFO**						✓		
Review the Health Board's assessment against NHS Protect Qualitative Assessment Reviews*	**CFO**								
ASSURANCE AND RISK									
Audit Tracker	**JW/CW**			✓		✓		✓	
Risk Assurance Report	**JW/CW**	✓			✓		✓		✓
Scrutiny of Outstanding Improvement Plans *	**JW/CW**								
DEEP DIVE									
TBC *									

AGENDA ITEM/ISSUE	LEAD	15 April 2025	8 May 2025	24 June 2025	12 Aug 2025	14 Oct 2025	9 Dec 2025	10 Feb 2026	April 2026
FOR INFORMATION									
ARAC Work Programme 2025/26	**Chair**	✓		✓	✓	✓	✓	✓	✓
National Internal Audit Reports *									
REVIEW OF THE MEETING									
Matters & Risks for Escalation to the Board	**Chair/JW**	✓		✓	✓	✓	✓	✓	✓

* To be included on agenda as applicable

Initials

AC – Andrew Carruthers	**IMs – Independent Board Members**	**LG – Lisa Gostling**
AG – Ardiana Gjini	**JJ – James Johns**	**MH – Mark Henwood**
CH – Carly Hill	**JP – Jill Paterson**	**NLl – Nicola Llewellyn**
CW – Charlotte Wilmshurst	**JS – James Severs**	**PK – Philip Kloer**
CFO – Counter Fraud Officer	**JW – Joanne Wilson**	**RE – Rob Elliott**
CSO – Committee Services Officer	**KJ – Keith Jones**	**SA – Shaun Ayres**
EDs – Executive Directors	**LC – Liz Carroll**	**SD – Sharon Daniel**
EJ – Eifion Jones	**LD – Lee Davies**	**SMJ – Sian-Marie James**
HIW – Healthcare Inspectorate Wales	**LO'C – Louise O'Connor**	**TP – Tracy Price**
HT – Huw Thomas		

Audit Committee Tasks		15 April 2025	8 May 2025	24 June 2025	12 Aug 2025	14 Oct 2025	9 Dec 2025	10 Feb 2026	April 2026
Prepare Schedule of meeting dates	**JW/CSO**						✓		
Agenda Setting Meeting with Chair & Exec Lead (at least 1m prior to mtg)	**Chair/JW**	✓	✓	✓	✓	✓	✓	✓	✓
Disseminate agenda & papers 7 days prior to meeting	**CSO**	✓	✓	✓	✓	✓	✓	✓	✓
Minutes and action log to be circulated within 7 days of the meeting	**CSO**	✓	✓	✓	✓	✓	✓	✓	✓
Produce ARAC Update Report for Board	**Chair/JW/ CSO**	✓	✓	✓	✓	✓	✓	✓	✓
Monitor agreed actions from previous meetings	**CSO**	✓	✓	✓	✓	✓	✓	✓	✓
Develop & monitor annual work plan linked to corporate objectives, assurance framework and Local and national priorities for Audit	**Chair/JW**	✓	✓	✓	✓	✓	✓	✓	✓
Ongoing Development of IMs (Briefings/Training/Development sessions)	**Chair/JW**	✓	✓	✓	✓	✓	✓	✓	✓
Annual Report on Committee's activity for onward submission to the Board – timed to support AGS	**Chair/JW**		✓						
Process for regular and rigorous self assessment of Committee's effectiveness	**Chair/JW +IMs**				✓		✓		
Annual bi-lateral meeting between Chair & LCFS *	**CFO**							✓	
Independent Members private discussions with Internal & External Audit, HIW and LCFS *	**All IMs**							✓	
Assess performance of Internal Audit *	**Chair/IMs**							✓	
Assess performance of External Audit *	**Chair/IMs**							✓	

* Separate meeting

11

13:00, 0 Mins

11 - Any Other Business

12

13:00, 0 Mins

12 - Review of Meeting

12.1

13:00, 0 Mins

12.1 - Matters and Risks for Escalation to the Board

For discussion

13

13:00, 0 Mins

13 - Date and Time of Next Meeting

9.30am, 12 August 2025