



**PWYLLGOR ARCHWILIO A SICRWYDD RISG
AUDIT AND RISK ASSURANCE COMMITTEE**

DYDDIAD Y CYFARFOD: DATE OF MEETING:	07 May 2026
TEITL YR ADRODDIAD: TITLE OF REPORT:	Draft Accountability Report 2025-26
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Professor Phil Kloer, Chief Executive Officer
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 (HDdUHB) is required to provide an Accountability Report as part of its Annual Report and Accounts for 2025-26. 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).

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
 - A Performance analysis.
- b. The **Accountability Report**, which must include:
 - A Corporate Governance Report
 - A Remuneration and Staff Report
 - A Parliamentary Accountability and Audit Report.
- c. The Financial Statements

The Accountability Report demonstrates how the UHB meets key accountability requirements to the Welsh Government and is required to have three parts:

Part A: The Corporate Governance Report

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

Part B: Remuneration and Staff Report

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

Part C: Parliamentary Accountability and Audit Report

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

For the 2025-26 reporting period, the key dates for reporting and submission are:

Submit Draft Financial Statements	Friday 1 May 2026
Audit and Risk Assurance Committee (to review DRAFT financial statements and Draft Accountability Report)	9.30am, Thursday 7 May 2026
Submit draft Performance Report Overview, Accountability Report (including the Annual Governance Statement), and Draft Remuneration Report	Friday 8 May 2026
Audit and Risk Assurance Committee (to approve above FINAL Financial Statements, Accountability Report and Performance Report)	9.30am, Tuesday 23 June 2026
Board Meeting in Public (to approve FINAL Annual Report, Annual Accounts, Accountability Report and Performance Report)	2.00pm, Thursday 25 June 2026
Submit final Annual Report and Accounts as a single unified PDF document	Monday 30 June 2026
Annual General Meeting	Thursday, 30 July 2026

Asesiad / Assessment

The purpose of the accountability section of the annual report is to meet key accountability requirements to Parliament. The requirements of the accountability report are based on the matters required to be dealt with in a Directors' Report, as set out in Chapter 5 of Part 15 of the Companies Act 2006 and Schedule 7 of the SI 2008 No 410, and in a Remuneration Report, as set out in Chapter 6 of the Companies Act 2006 and Schedule 8 of SI 2008 No 410.

The requirements of the Companies Act 2006 have been adapted for the public sector context.

Auditors will review the accountability report for consistency with other information in the financial statements and will provide an opinion on the following disclosures which should be identified as audited within the accountability report:

- Single total figure of remuneration for each director
- CETV (cash equivalent transfer value) disclosures for each director
- Payments to past directors, if relevant
- Payments for loss of office, if relevant
- Fair pay disclosures
- Exit packages, if relevant, and
- Analysis of staff numbers

The Accountability Report is required to be signed by the Accountable Officer/ CEO.

As a minimum, the Accountability Report will include:

- The **Corporate Governance Report** explains the composition and organisation of the Health Board and governance structures and how they support the achievement of the Health Board's objectives. The Corporate Governance Report itself is in three main parts:
 - i. The Directors' Report – the guidance stipulates what information must be included, unless disclosed elsewhere in the annual report and accounts in which case a cross reference may be provided;
 - ii. The Statement of Accountable Officer's responsibilities – the Accountable Officer is required to confirm and take personal responsibility and the judgements required for determining that the annual report and accounts as a whole is fair, balanced and understandable;
 - iii. The Governance Statement – the Governance Statement is a key feature of the organisation's annual report and accounts and is intended to bring together in one place all disclosures relating to governance, risk and control. The UHB's Governance Statement has been compiled in accordance with the relevant guidance and includes mandated wording.
- The **Remuneration and Staff Report** contains information about senior managers' remuneration. It will detail 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 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.

The Head of Internal Audit and the Conclusion sections of the report will be updated and finalised when the Head of Internal Audit Opinion is issued.

Argymhelliad / Recommendation

The Audit and Risk Assurance Committee is requested to discuss and support the content of the Draft Accountability Report, providing any feedback that is relevant to its objective to the Director of Corporate Governance/Board Secretary by **22 May 2026**, in order to provide assurance to the Board that a robust governance process was enacted during the year.

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: 3.2.1 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
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	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)	7. All apply
Galluogwyr Ansawdd: Enablers of Quality: Quality and Engagement Act (sharepoint.com)	6. All Apply
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 Termiau: 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:	Chair Chief Executive Officer Assistant Head of Financial Accounting

Effaith: (rhaid cwblhau) Impact: (must be completed)

Ariannol / Gwerth am Arian: Financial / Service:	Not Applicable
Ansawdd / Gofal Claf: Quality / Patient Care:	There are no direct quality/patient care implications within this report.
Gweithlu: Workforce:	Not Applicable

Risg: Risk:	This report enables the UHB to meet its key accountability requirements to Parliament.
Cyfreithiol: Legal:	Not Applicable
Enw Da: Reputational:	Not Applicable
Gyfrinachedd: Privacy:	Not Applicable
Cydraddoldeb: Equality:	<ul style="list-style-type: none"> • Has EqIA screening been undertaken? No • Has a full EqIA been undertaken? No

11. Accountability Report

The Accountability section of the Annual Report summarises the governance arrangements and structures in place across the Health Board during 2025/26. It comprises three components:

- **Corporate Governance Report** outlining the Health Board's structure, governance framework and how these support delivery of organisational objectives. It includes the Directors' Report, the Statement of Accounting Officer's Responsibilities, and the Governance Statement.
- **Remuneration and Staff Report** setting out senior managers' remuneration, related policies, any exit or special payments, and details of the Remuneration and Terms of Service Committee. It also provides workforce information, including staffing numbers, composition, sickness absence, consultancy spend and off-payroll costs.
- **Senedd Cymru/Welsh Parliament Accountability and Audit Report** presenting information on the regularity of expenditure, fees and charges, and includes the audit certificate and report.

11.1 Corporate Governance Report

11.1.1 Introduction

The Corporate Governance Report outlines the Health Board's governance arrangements and structures for 2025/26. It comprises:

- **Directors' Report** summarising the Board's composition and responsibilities for directing and controlling the Health Board's activities
- **Statement of Responsibilities** confirming the Accountable Officer's, Chair's and Executive Director of Finance's responsibilities for preparing fair, balanced and understandable financial statements and the Annual Report.
- **Governance Statement** detailing the Health Board's governance, risk and control framework and how these arrangements operated during the year

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 three 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 two directors, who form part of the Executive Team and the Board, but who have no voting rights.

Our Board members as at 31 March 2026:



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
Executive Director of Nursing, Quality and Patient Experience
(voting)



Michael Imperato
Independent Member (Legal)
(voting)



Mark Henwood
Executive Medical Director
(voting)



Sarah Harraway
**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)



Neil Prior
**Independent Member
(Community)**
(voting)



Iwan Thomas
**Independent Member
(Third Sector)**
(voting)



Alwena Hughes
Moakes
**Communications and
Engagement Director**
(non-voting)



Joanne Wilson
**Director of Corporate
Governance (Board
Secretary)**
(non-voting)



Michael Gray
**Associate Member
(Director of Social
Services
Pembrokeshire
County Council)**
(non-voting)



Dr Jonathan Arthur
**Associate Member
Chair of Healthcare
Professionals Forum**
(non-voting)



Tegryn Jones
**Associate Member
Chair of Stakeholder
Reference Panel**
(non-voting)

Further details of Board members for 2025/26 are detailed in [Appendix 1](#) of our Governance Statement. This will include Board and committee membership for 2025/26, 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 2025/26 are outlined below:

- Sharon Daniel was made substantive Executive Director of Nursing, Quality and Patient Experience on 1 April 2025 after undertaking the role on an interim basis since 1 January 2024
- Sarah Harraway joined the Health Board as Independent Member (Community) on 6 May 2025
- Mark Henwood was made substantive Executive Medical Director on 22 May 2025 after undertaking the role on an interim basis since 5 February 2024
- Jill Paterson, Director of Primary Care, Community and Long-Term Care, left the Health Board on 30 November 2025
- Anna Lewis, Independent Member (Community) left the Health Board on 31 December 2025
- Neil Prior joined the Health Board as Independent Member (Community) on 1 January 2026
- Dr Jonathan Arthur, Chair of the Healthcare Professionals Forum was approved as an Associate Member of the Board for one year on 15 August 2025
- Jeremy Hockridge stood down as Chair of Stakeholder Reference Group on 24 July 2025
- Tegryn Jones, Chair of Stakeholder Reference Group was approved as an Associate Member of the Board for two years from 10 March 2026

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: **Professor Philip Kloer**

Date: 25 June 2026

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 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: 25 June 2026

Dr Neil Wooding

Chief Executive:

Date: 25 June 2026

Professor Philip Kloer

**Executive Director
of Finance:**

Date: 25 June 2026

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, 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 summarises how the organisation works internally and with partners to address the challenges of planning and delivering services. It outlines the governance arrangements in place, how risks are identified and managed, and how assurance is sought and provided. To minimise duplication, some detail is cross referenced to the Governance Statement, so the two sections should be read together.

The Governance Statement sets out our governance framework and how it supports openness, transparency and delivery of strategic objectives. The Board, at the apex of our governance system, sets direction, monitors performance, ensures controls are effective, and gains assurance through its committees and assessments against professional and regulatory standards.

Further detail on governance arrangements during 2025/26 is provided within the 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.

Over the last year we have been de-escalated for the following areas:

- July 2025 - de-escalated to level 3 for cancer and to level 1 for CAMHS.
- December 2025 - de-escalated to level 1 for leadership and governance.
- February 2026 - The Health Board was further de-escalated to level 1 for cancer.

Therefore, our current escalation status is:

- Level 4 for finance, strategy and planning

- Level 4 for performance and outcomes related to urgent and emergency care, fragile services (including ophthalmology), and Healthcare Associated Infections (HCAs)
- Level 3 for performance and outcomes related to planned care

We operate a clear and robust accountability framework that tracks progress against 56 de-escalation criteria across six domains, with each criterion following a defined alert–advise–assure pathway to give transparent visibility of progress. Executive ownership, established reporting routes and regular governance reviews through our Board and Committee structure ensure actions are monitored, evidenced and escalated when required.

Despite ongoing challenges, we continue to drive improvement. We have delivered £52m in savings and reduced our 2025/26 outturn position, in line with the revised control total to £22.1m, strengthened workforce stability working with our educational providers in Wales, and reduced agency use, achieved consistent performance in mental health services, and made progress in infection control.

Our structured approach provides a solid foundation for sustainable improvement, financial stability and the development of our 2026/27 Annual Plan. Priority objectives align with the Planning Framework, Ministerial priorities and essential transformation work, including progressing the Clinical Services Plan and refreshed '*A Healthier Mid and West Wales - Healthier lives, well lived*'.

During 2025/26, routine performance management, including Joint Executive Team (JET) and Integrated Quality, Planning and Delivery Group (IQPD) meetings, and quarterly escalation meetings, provided intervention, support and monitoring arrangement by Welsh Government, along with the updated de-escalation criteria. Welsh Government are introducing a new approach to NHS Wales/Welsh Government oversight and interface arrangements for 2026/27, that will require us to meet the following requirements:

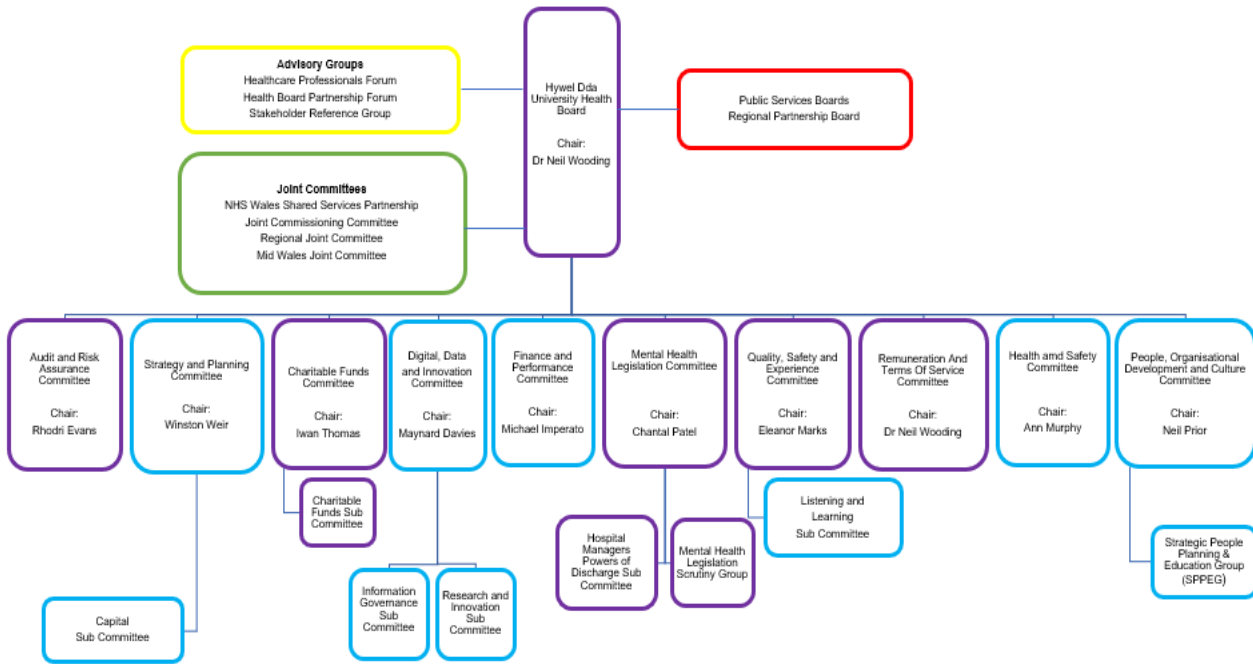
- Providing timely, accurate data and updates via the common reporting pack.
- Utilising the single reporting pack within Board papers and discussions.
- Maintaining delivery plans (IMTP/annual plan) and corrective action plans aligned to escalation requirements.
- Participating in risk-based CEO/Executive Review Meetings with the NHS Wales CEO (cadence set by escalation level) to reinforce earned autonomy.

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 Local Health Board (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 2026:



From 1 April 2025, a revised committee structure was introduced which included the following committees:

- Digital, Data and Innovation Committee
- Finance and Performance Committee
- Strategy and Planning Committee

These new committees replaced the Sustainable Resources Committee and the Strategic Development and Operational Delivery Committee and also led to changes to the terms of reference of the PODCC.

11.5.4 Standing Orders

The Board approved amendments to the Model Standing Orders in May 2025 following legislative changes introduced through *The Local Health Boards, NHS Trusts and Special Health Authorities (Constitution, Membership and Procedures) (Miscellaneous Amendments) (Wales) Regulations 2024*), which came into force in January 2025. Further details of changes can be found here - [Standing Order amendments \(May 2025\)](#). Welsh Government subsequently issued updates to the Model Standing Financial Instructions to ensure compliance with the *Health Services (Provider Selection Regime) (Wales) Regulations 2025* and the *Procurement Act 2023*. These revised SFIs were approved by the Board in July 2025.

All variations to our Standing Orders are reported to the Audit and Risk Assurance Committee (ARAC). During 2025/26, there was the following 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.
- **Standing Financial Instructions:** There were 18 breaches in respect of retrospective purchase orders were reported to the Audit and Risk Assurance Committee through the year. These were not material and where these breaches occur, they are reviewed by local NHS Wales Shared Services Partnership Procurement for appropriate re-education and the relevant director is informed.

11.5.5 The Board

The Board provides clear leadership and direction, operating as a corporate decision-making body responsible for governance, scrutiny, and public accountability. Its work is conducted openly and transparently, with meetings held in public, live-streamed, and published online, while private sessions are limited and supported by published agendas.

As described in the Directors' Report, Board membership reflects a broad range of backgrounds and professional expertise.

During 2025/26, the Board held:

- 8 meetings held in public including 2 extraordinary meetings (all were quorate)
- 1 extraordinary meeting held in private to discuss the *Financial Plan – Choices & Decisions*
- 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's programme of work was adapted throughout the year in response to emerging issues and maintained a strong patient and staff centred focus, including the routine presentation of patient and staff stories via the patient experience report.

Items considered by the Board during 2025/26 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 2024/25 and Audit Wales ISA 260 and Letter of Representation
- Audit Wales Annual Audit Letter and Structured Assessment
- Standing Orders, Standing Financial Instructions and Scheme of Delegation

- Risk Management Framework and Strategy
- Risk Appetite Statement
- Revised Board and committee 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/Community by Design Strategic Plan
- Planning maturity matrix and action plan approval
- Research and Innovation Strategic Plan 2025-2030
- Staff Survey
- Discretionary Capital Programme 2025-2026
- Financial Choices and Decisions Report 2025/26
- Prince Philip Hospital Minor Injuries Unit Update (consultation)
- Prince Philip Hospital Minor Injuries Unit Options report
- Prince Philip Hospital Minor Injuries Unit Implementation Update
- Paediatric inpatient provision at Bronglais Hospital
- Community engagement
- Director of Public Health Annual Report
- Healthcare Inspectorate Wales Annual Report
- Llais Annual Report
- A Regional Collaboration for Health (ARCH) review
- Update South-West Regional Pathology Arrangements Report
- Mental health service provision: Ceredigion Referral Pathway
- Winter respiratory vaccination programme delivery plan 2025/26
- Glangwili Hospital Front Door – Opportunities for Improved Patient Flow
- Health Improvement and Well-being Strategic Plan
- Well-being Objectives Annual Report
- Well-being Objectives Review
- Major Incident Plan
- Local Community Action for Health and Wellbeing - Social Model for Health and Wellbeing
- Social Partnership Duty Annual Report
- Centre for Social Innovation Report
- Long term agreements
- Pentre Awel
- Welsh Government Building, Picton Terrace
- Strategic Equality Plan Annual Report
- Equality, Diversity and Inclusion Taskforce Update
- Financial Roadmap to 2028/29
- Trittech Business Plan
- Withybush General Hospital Fluoroscopy Project
- Energy performance contract
- Creating a Sustainable Dentistry Service report
- Fragile Services Framework Update Reports

- Integrated Urgent and Emergency Care Updates
- National Outpatient Assessments Insource Project Report
- Management and Review of Waiting Lists Report
- Operational Delivery Network (ODN) South West Regional Pathology Arrangements
- Public Services Ombudsman Wales Public Interest Report and Annual Letter
- Digital Strategic Plan Approach
- Patient Service Centre
- Sarn Surgery Report
- Organ Donation Annual Report
- Targeted Estates Fund Report
- Maternity Services Strategic Plan
- Clinical Services Plan Background, Public Consultation Findings and Decision Making
- Regional Cellular Pathology Transitional Memorandum of Understanding
- Regional Cellular Pathology Preferred Laboratory Site
- Climate Adaption Plan
- Discretionary Capital Programme (DCP) 2026/27
- Tritech Business Plan
- Corporate Trustee reports
- Hywel Dda Health Charities Integrated Performance report
- Hywel Dda Charitable Funds Expenditure Funding Requests
- Hywel Dda Health Charities Annual Report and Accounts 2024/25
- Audit Wales 2025 Audit Plan – Hywel Dda Health Charities
- Ratification of Charitable Funds Requests over £100,000
- Property leases
- Local Community Action for Health and Wellbeing - Social Model for Health and Wellbeing
- Business cases relating to:
 - Withybush Hospital (WGH) Fire Works (phase 2) business justification case
 - South West Wales Cancer Centre – 5th LINAC/Bunker at Singleton
 - Glangwili Hospital Front Door – improving patient flow
 - ‘A Healthier Mid and West Wales – Healthier lives, well lived’ Programme Business Case Addendum
 - Urgent and Emergency Care
 - Glangwili Hospital (GGH) to support Phase 2 of Fire Enforcement Notice business justification case

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 Community Schemes Updates
- Reports on the Annual Plan 2025/26 and development of the Annual Plan 2026/27
- Reports on the financial performance, choices and decisions 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 set of independently chaired committees that provide focused scrutiny and assurance across key areas of governance. These committees seek assurance on the delivery of our strategic and planning objectives, the quality and safety of services, compliance with legislation and standards, learning from incidents and reviews, and the effective management of performance and risk. The Health Board's committee structure ensures robust oversight, clear lines of assurance, and regular reporting to the Board. The Health Board has the following committees in place:

- Audit and Risk Assurance Committee (ARAC)
- Charitable Funds Committee (CFC)
- Digital, Data and Innovation Committee (DDIC)
- Ethics Panel (EP)
- Finance and Performance Committee (FPC)
- 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)
- Strategy and Planning Committee (SPC)

During the year, the Health Board undertook reviews to strengthen and streamline governance arrangements for both quality and safety, and health and safety. These revisions are designed to improve consistency across the operational arm of the organisation, ensuring that any gaps, inconsistencies or duplication in reporting are addressed and that clearer, more effective oversight flows into the assurance committees.

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](#).

The terms of reference for all Board committees are reviewed at least annually and are available on the Health Board's website under governance arrangements: <https://hduhb.nhs.wales/about-us/governance-arrangements/>. Details of committee membership, attendance, and quoracy for both the Board and its committees are provided in [Appendix 1](#) and [Appendix 2](#) respectively.

Each committee is supported by an executive director lead who works with the chair to shape agendas, plan the business cycle, and ensure the committee receives timely, high-quality information. Committees maintain formal minutes, decision logs, and action trackers, which are routinely monitored.

Following every meeting, the committee chair provides a written report to the Board. The Board have use the 'Triple A' (Alert, Advise, Assure) reporting format, enabling clear escalation of concerns, visibility of issues under close committee oversight, and assurance on other areas of work, including key risks and organisational learning. Following our Structured Assessment 2025 by Audit Wales, further training was provided to Committee chairs to strengthen consistency and reporting. Committee chairs also provide an annual report summarising their activity and effectiveness.

Alongside reporting to the Board, committees collaborate to support cross-reporting and triangulation of assurance. Committee chairs meet regularly to share insights and strengthen the effectiveness of the overall committee system.

Each committee undertook a self-assessment during the year and produced a development plan to support continuous learning and improvement. This process enhances governance maturity, enabling reflection on impact and learning, and informs the Board's wider development programme.

A summary of key items considered by committees can be found in [Appendix 3](#).

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 Health Professions Forum (HPF) brings together representatives from a wide range of clinical and healthcare professions across the Health Board and primary care to provide professional and clinical advice to the Board. It also serves as an early engagement forum for proposed service changes, helping shape how services are developed and delivered.

Key items considered included updates on membership, strategic plans for primary and community care, revisions to its terms of reference, national committee updates across dental, midwifery, allied health and pharmaceutical professions, digital transformation proposals, nursing updates, the Public Health Prevention Strategy (20Four7 Prevention), and progress on the Clinical Services Plan.

- **Staff Partnership Forum (SPF)**

The Staff Partnership Forum (SPF) provides the formal mechanism for engagement between the Health Board and staff partnership organisations, enabling collaborative discussion on key workforce and service issues. It brings together trade unions, professional bodies and management to inform debate, agree local priorities, and support improvements to health services.

In 2025/26, the SPF met five times. Key matters considered included updates from the Local Partnership Forum, job evaluation, service and organisational changes, health and safety, legislative and policy updates, the staff survey, the Strategic Equality Plan, consultation on the Clinical Services Plan, financial updates, paediatric services, and catering pricing concerns.

- **Stakeholder Reference Group (SRG)**

The Stakeholder Reference Group (SRG) brings together partners from across the Health Board area to contribute to strategic direction, advise on service improvement proposals, and provide feedback on how the Health Board's activities impact local communities.

Regular agenda items include updates on:

- Continuous engagement programme
- Current and future planned consultations
- Integrated performance assurance reports

In 2025/26, the SRG met four times, and was quorate for three meetings. The new Chair has written to members to encourage attendance. Each meeting including a reflective session to support continuous improvement. Key matters considered included the regular reports on the continuous engagement programme and current and planned consultations, the Clinical Services Plan, Minor Injuries Unit developments at Prince Philip Hospital, waiting list support, primary care (including GP-managed practices), research and innovation benefits for patients, digital contact improvements, the Social Model for Health and Wellbeing, and integrated performance assurance reporting.

11.5.8 Other advisory groups

- **Equality, diversity and Inclusion (EDI) Taskforce**

The Health Board has an Equality, Diversity and Inclusion (EDI) Taskforce to accelerate our work to eliminate discrimination and foster an inclusive and equitable environment within our organisation, ensuring that every voice is heard and respected, and we all have a sense of belonging. The taskforce provides updates on progress to the PODCC.

The EDI Taskforce has established 3 overarching objectives each with a dedicated sub-group with its own terms of reference and action plan. The three overarching objectives are:

- **Board Allyship**
To explore what more the Board can do to take a more assertive position and demonstrate its allyship to underrepresented and vulnerable groups.
- **Engagement and Co-Production**
To build a shared commitment for change based on a diverse range of personal experiences and ensure that we provide opportunities for all individuals to feed into the shaping of Health Board EDI priorities, ensuring a person-centred approach.
- **Data and Intelligence**
To better understand the data, we already have and take a more intersectional approach where we consider impacts for individuals with multiple protected characteristics. This will enable us to establish key EDI actions and priorities.

The work of the EDI Taskforce will continue in 2026/27 and is closely aligned with other local action plans including our Anti-Racist Wales Action Plan and LGBTQ+ Action Plan.

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 RJC met in May 2025, August 2025, January 2026 and February 2026. All meetings during the reporting period were quorate.

In May, the Committee approved governance arrangements, including updated Terms of Reference and transition arrangements, and endorsed the 2025/26 Work Programme covering the regional health economy; clinical services; workforce and organisational development; digital and data; research and innovation; and finance and contracting. Members also endorsed proposals for a regional learning event to support collaborative working, agreeing to allocate staffing resources and to reflect financial requirements in both Health Boards' 2026/27 budget plans.

Regional Health Economy

The Committee continued to strengthen a shared regional approach across People, Place, Procurement and Partnerships. Milestones have been agreed, bimonthly steering group meetings established, and a regional long-term strategic plan workshop planned to ensure future planning is population-informed and cohesive.

Clinical Services Planning

Good progress has been made in orthopaedics and ophthalmology, including joint theatre utilisation and the development of single waiting lists. The regional pathology programme, hosted by Swansea Bay UHB with external consultancy support, remains on track. Further work is

required to strengthen joint oversight of patient tracking lists and workforce planning to improve equity of access across the region. The Committee supported priorities emerging from regional Urgent and emergency care workshops, including the development of a single point of access, AI-enabled predictive intelligence, a digital patient directory, digital inclusion, and enhanced regional collaboration.

Workforce and Organisational Development

Joint workforce planning has supported work on workforce retention, recruitment, succession planning, resilience and apprenticeships across the region.

Digital, Data and Innovation

A presentation on the application of artificial intelligence (AI) in healthcare, highlighted the importance of responsible AI, innovation and regional collaboration. A joint digital vision has since been developed to harness digital innovation in support of proactive, equitable care. The Committee endorsed a phased approach to a regional digital strategy, while encouraging greater ambition in scope and outcomes.

Research, Innovation and Excellence

Work has continued to develop regional research collaborations, including in oncology, and to establish a regional operating model that strengthens partnerships with academic institutions, improves access for trial sponsors, and explores opportunities for centres of excellence.

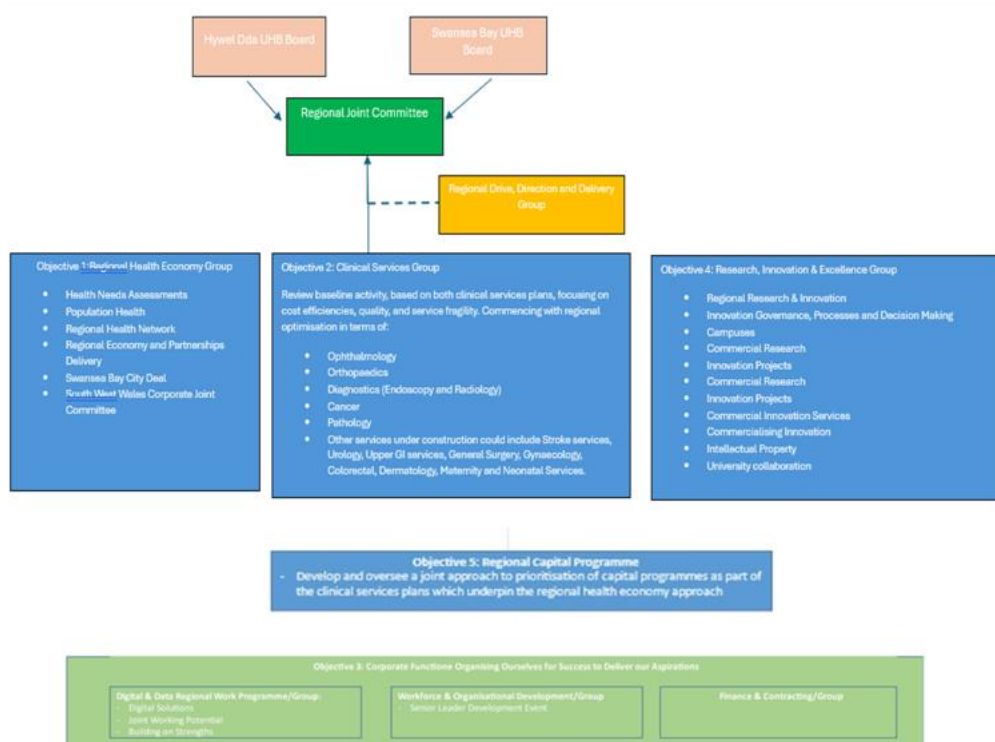
Finance and Contracting

Progress has been made through regional value-based initiatives, including the STAR Programme and value-based procurement with Swansea University. The Committee noted continued work on orthopaedic contracting redesign, increased collaboration between finance teams, and the appointment of a regional procurement lead to strengthen capability, governance frameworks and process alignment.

The Committee acknowledged the need to further refine priorities for 2025/26, strengthen alignment with organisational Integrated Medium-Term Plans (IMTPs), and improve coherence across local, regional and national arrangements. Despite ongoing workforce pressures, sub-groups demonstrated good progress and clear ambition across workstreams. Overall, the regional approach continues to mature and is delivering increasing value, including in future-focused areas such as regional financial planning and digital transformation.

Regional Cellular Pathology Programme

The Transitional Memorandum of Understanding was approved, clarifying governance, accountability, indemnity arrangements and confirming that there are no changes to financial liability. The MoU also reaffirmed the commitment to developing a single regional cellular pathology service hosted by Swansea Bay University Health Board. In addition, regional consensus was reached on the Bay Campus as the preferred laboratory site, based on service quality, research potential and long-term sustainability, and this was supported for submission to Welsh Government.



Further information on the RJC can be found on the following link: [Joint committees of the board - Hywel Dda University Health Board.](#)

• **Mid Wales Joint Health and Social Care Committee (MWJC)**

The MWJC established following the Mid Wales Healthcare Study (2014), brings together health and care organisations covering the mid Wales region. Members of the Joint Committee includes the three Local Health 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).

Each year, the Joint Committee agrees a set of Mid Wales priority areas aligned with partners' Integrated Medium-Term, Annual and Regional Plans. These priorities focus on whole-pathway, cross-organisational solutions spanning primary, community, secondary and social care, reflecting Welsh Government's expectation for regional working.

Delivery is coordinated through the Mid Wales Planning and Delivery Executive Group, which oversees the development and implementation of the Mid Wales Priorities and Delivery Plan, considers alignment with individual organisational plans, and addresses emerging issues requiring a regional approach.

The MWJC is led by a number of Executive Directors from across the region. Members of the Committee include the Chief Executive of Hywel Dda UHB and the Hywel Dda UHB Programme Director.

The Committee met twice during 2025/26 (April and October). Updates were received on:

- Mid Wales Joint Committee's Priorities and Delivery Plan
- 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 Mid Wales priorities for 2025/26 focus on improving access, capacity, and pathway sustainability across key clinical areas. Priorities include renewing urology pathways; expanding ophthalmology capacity through a regional, whole-system approach; identifying opportunities to enhance access to cancer services; and improving provision of NHS dental services.

Further priorities include assessing the impact of strategic service change programmes on the Mid Wales population, developing cross-border workforce solutions, establishing a sustainable colorectal pathway with outreach opportunities, and enhancing access to dermatology services across the region.

From 2025/26, the Mid Wales Clinical Advisory Group will provide clinical advice and support for all Mid Wales priorities, replacing the previous separate set of clinical priorities. This includes advising on strategic service change programmes and proposals with implications for Mid Wales, with early areas identified for consideration such as stroke services, community models, the Six Goals for Urgent and Emergency Care, and the new clinical model for the Welsh Ambulance Services NHS Trust.

Social care priorities for 2025/26 focus on improving pathways and information systems across the region, including residential children's accommodation (linked to eliminating profit in small homes), the Trusted Assessor model with associated delayed-care pathways and the 50-day challenge, and continued implementation of the Welsh Community Care Information System (WCCIS).

- **NHS Wales Joint Commissioning Committee (NWJCC)**

The NWJCC acts on behalf of the seven health boards in commissioning specialised and national services, while each health board remains accountable to its own population for the services provided. Hosted by Cwm Taf Morgannwg University Health Board, the Chief Executive has delegated authority to represent the Health Board, with regular updates provided to the Board and an annual in-depth discussion held at a Board seminar.

The NWJCC met in May, September, November and December 2025. Key areas considered included funding and policy for rare conditions, Individual Patient Funding Requests, developments in plasma-derived medicines, mental health repatriation and patient flow, plastic surgery commissioning, governance updates from the Welsh Kidney Network, EMRTS developments, Sexual Assault Referral Centre proposals, the Care Home Framework, specialised commissioning financial recovery, immunoglobulin optimisation, neonatal services, adoption of the Scheme of Reservation and Delegated Powers, and reports from Chairs, Chief Commissioners and Commissioning Directors. Work also progressed on strategy development, the 2025/26

Foundation Plan, and the NWJCC Integrated Medium-Term Plan 2026–29, alongside regular governance, risk, performance and finance reports and patient stories.

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, established under the Well-being of Future Generations (Wales) Act 2015 to strengthen joint working and improve economic, social, environmental and cultural well-being. The effectiveness of PSBs is subject to scrutiny by the Future Generations Commissioner, Audit Wales and local authority scrutiny committees. All PSBs share cross-cutting priorities to reduce inequality, inequity and poverty.

During 2025/26, Ceredigion PSB met in June, September, December and February, considering progress against Well-being Plan objectives, annual reporting, policing priorities, delivery group updates, a series of thematic spotlight sessions, food resilience work and regional structures.

Pembrokeshire PSB met in May, July, October, December and February, focusing on strengthening communities, economic strategy, food resilience, the Future Generations Report, regional arrangements, poverty work and the Healthy Weight Whole Systems Approach.

Carmarthenshire Public Services Board (PSB) met in May, July, September, November and January. During the year, it considered the 2025 Future Generations Report including work on wind energy, climate goals and social health models, received the Climate Change Risk Assessment, appointed a Vice Chair, and discussed progress on the shared public sector electric vehicle charging network and emerging regional structures.

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

- 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

Ceredigion PSB well-being objectives

- 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

Pembrokeshire PSB 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

• West Wales Regional Partnership Board (RPB)

Regional Partnership Boards (RPBs), established under Part 9 of the Social Services and Well-being (Wales) Act 2014, bring together health and social care partners to drive integration and transformation. We remain fully committed to a coordinated approach to planning, building on the strong track record of joint working across west Wales.

RPBs also co-ordinate regional integrated capital planning, supported in west Wales by an RPB Capital Strategic Board and Operational Group, jointly chaired by the Director of Communities for Carmarthenshire County Council and the Health Board's Executive Director of Strategy and Planning.

In 2025/26, the RPB considered updates on the Population Needs Assessment, governance arrangements, the Regional Integrated Fund, changes to statutory regulations, risk stratification within the Integrated Community Care System, the Carers Strategy and Annual Report, the Market Stability Report, and dementia workstreams. The Board also held workshops on integrated community care, governance and stakeholder engagement, and reviewed future funding processes and benefits realisation.

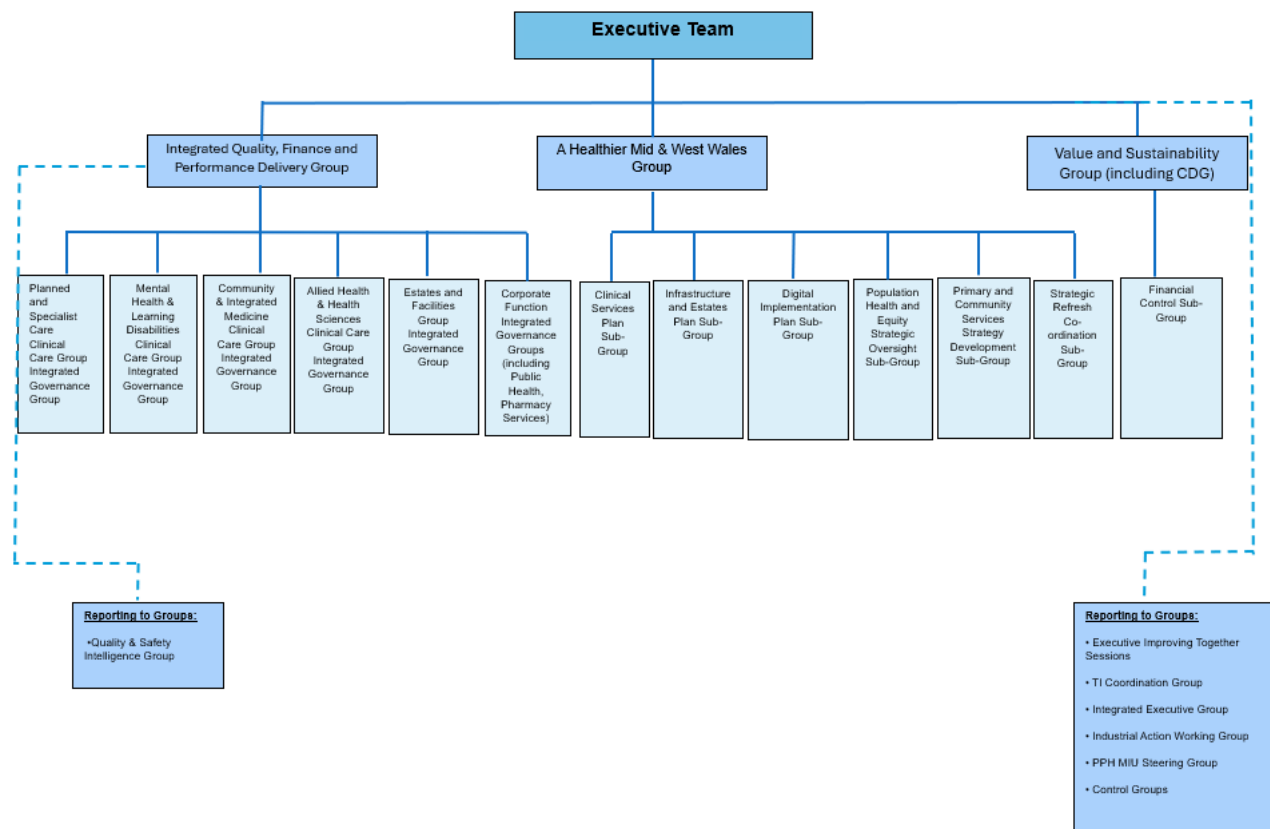
• NHS Wales Shared Services Partnership Committee (NWSSPC)

The NWSSPC, established in 2012 and hosted by Velindre NHS Trust, oversees shared services for NHS Wales, including procurement, recruitment and legal services. Hywel Dda UHB is represented on the Committee by the Executive Director of Finance, with regular updates reported to the Board following each meeting.

11.5.11 Executive and operational governance arrangements

The Health Board has an executive governance structure in place 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 is the Health Board’s primary executive decision-making body, responsible for endorsing plans, policies and strategies prior to Board consideration. It oversees day-to-day operational management, ensuring the organisation develops population-focused services, strengthens commissioning capability and maintains robust quality, safety, financial and performance management arrangements.

Acting under delegated authority through the Scheme of Delegation, the Executive Team supports the Chief Executive in delivering the Health Board's strategic goals and ensuring an effective system of integrated governance, risk management and internal control.

The Executive Team meets weekly, holding formal meetings every other week and business meetings in the alternate weeks.

- **Integrated Quality, Financial Performance Delivery (IQFPD) Group (IQFPDG)**

A new operational governance structure was implemented from April 2025 to support the revised operational directorate model. Central to this is the Integrated Quality, Finance and Performance Delivery Group (IQFPDG), which oversees the effective planning and delivery of the Annual Plan and provides direction on issues emerging from Executive Improvement Together sessions.

From April 2025, the newly established Clinical Care Groups (see operational directorate governance arrangements section below), which were established as part of the operations directorate restructuring, started to report directly to the IQFPD every fortnight on rotation, in respect to planning, performance (including financial performance) and people and quality, health and safety.

- **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**

The Group is responsible for focusing on the identification of and driving financial improvement opportunities, supporting the delivery of savings plans. It contributes 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**

The revised operational directorate structure was implemented in early 2025 to strengthen leadership capacity and create a more effective and consistent operational model. This included the establishment of six Clinical Care Groups, including an Estates and Facilities Care Group, supported by revised governance arrangements to standardise processes and improve the flow of information to the Executive Team. These arrangements came into effect on 1 April 2025, alongside a leadership and organisational development plan to support implementation.

The introduction of Clinical Care Groups represents a significant enhancement to operational governance, aimed at improving performance and delivering better outcomes for patients. Each Care Group has established an Integrated Governance Group, operating to prescribed terms of reference and standard agendas. These Groups report into the [IQFPDG](#) (see above) and cover two core areas:

- Planning, performance (including financial performance) and people
- Quality and safety (including health and safety)

These arrangements, along with our internal performance management arrangements are currently under review, with a view to introduce revised arrangements in 2026/27 that will streamline processes, enable clearer and faster decision-making, and reduce duplication.

11.5.12 Board development

Leadership remains the most significant driver of organisational culture, and the Health Board has continued to invest in leadership development grounded in our values and behaviours, supported by clear expectations of capability, accountability and ownership.

The escalation to level 4 in January 2024 presented a substantial challenge, particularly within the Leadership and Governance domain. In response, the Health Board undertook sustained and focused action to strengthen leadership capacity and capability across all levels. This work, alongside the stabilisation of a substantive Executive Team and the delivery of a comprehensive leadership development portfolio, contributed directly to our progressive de-escalation to level 3 enhanced monitoring in March 2025 and subsequently to level 1 in December 2025, reflecting the significant progress achieved.

In 2025, the Health Board delivered a comprehensive programme of leadership development across all levels, including two Independent Member development sessions, two full Board development days and three Executive Team timeouts, each aligned to organisational priorities and tailored personal development plans. Executive coaching continued to be offered where appropriate.

Across the year, the Executive Development Programme focused on strengthening collective leadership and aligning the Executive Team around a shared vision. Sessions supported organisational readiness, strengthened relationships, refined strategic direction and leadership practice (including digital leadership), and agreed guiding principles, while also aligning ways of working, governance arrangements, financial planning and the development of the 2026/27 Annual Plan.

Building on this strong foundation, focused development for Executive Deputies and senior system leaders commenced in late 2025, strengthening their capability to lead day-to-day operational delivery and enabling the Executive Team to concentrate more fully on system-wide strategic priorities.

Digital leadership remains a priority as we progress into 2026, and the Health Board will replicate its successful 2025 development approach while introducing two new programmes: personal and team development for new Board members, and 'Leadership in a Digital Age' to support the Board's approval of the Digital Strategy in January 2026.

Revised committee working and chairing arrangements, together with the Board's adoption of the NHS Wales Health Education and Improvement Wales (HEIW) compassionate leadership pledge in July 2024, have further strengthened talent management and succession planning. Over the

past year, organisational performance has continued on a positive trajectory, underpinned by the scrutiny and assurance provided by Board members.

Elements of the new Chair and Vice Chair induction programmes have been extended to all Board members through optional ‘lunch and learn’ sessions, offering refreshers on key topics including patient safety walkarounds, finance, patient services and complaints, risk, and estates and capital projects.

11.5.13 Effectiveness of the Board and committees

Our committees review their effectiveness after each meeting through Independent Member reflective sessions, supporting continuous learning and improvement. Members also complete an annual self-assessment, with findings used to develop action plans that are reported through committee annual reports. Common themes and learning are 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 (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 2025/26

The Board uses a maturity matrix which 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	Changes
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	No change
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	No change

		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.	No change
4. Effective external relationships	3	Effective citizen involvement is in place, and evidenced by improvement initiatives that are put into operation as a result.	No change
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.	No change
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.	No change
7. Systems and structures: quality and safety	4 ↑	Integrated quality reports demonstrate quantifiable improvements in the domains within the within the health and care quality standards. The organisation is to demonstrate the duty of quality in some services.	Improvements in demonstrating compliance with Duty of Quality
8. Delivery of agreed outcomes	2	Performance reports including benchmarking data and key performance indicators are in development.	No change
9. Risk management and compliance	3 ↓	Regular review of the Board Assurance Framework (BAF) supports the management of risks to achieving strategic objectives, and an annual exercise ensures review of the organisation's Emergency and Business Continuity Plan.	Review of BAF was on hold until Strategy Refresh was approved by Board in January 2026. The Refreshed BAF will now be reported to the Board in July 2026.
10. Effectiveness and added value	3	The annual cycle of business is planned and the Board Assurance	No change

		Framework is used by the Board to identify opportunities for increased effectiveness and added value.	
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Overall, the assessment indicates that Hywel Dda University Health Board is operating at a level of “firm progress”, with governance systems, leadership behaviours and assurance arrangements largely embedded and increasingly effective. The Board demonstrates growing maturity in oversight, quality governance and risk management, with evidence of tangible results in several domains, supported by positive external assurance from Audit Wales and Internal Audit. However, organisational maturity is not yet consistently translating into improved outcomes, and further development is required to strengthen delivery, embed outcome-focused performance management and realise the full impact of governance at scale. The assessment reflects that Hywel Dda is on a clear improvement trajectory, however is not yet operating at a mature or exemplar level.

In 2026/27, development will focus on strengthening delivery of outcomes, closing the gap between assurance and operational grip, embedding the refreshed strategy across planning and risk, and ensuring governance arrangements consistently drive improvement and impact rather than process compliance.

The improvement work being undertaken by the Health Board in respect of its escalation status will help to strengthen the effectiveness of the Board.

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 2026 and up to the date of approval of the Annual Report and Accounts.

The Board is responsible for maintaining an effective system of internal control that supports delivery of the organisation’s objectives. This system is underpinned by regular management information, clear administrative procedures, and defined delegation and accountability arrangements. It is strengthened by the work of the Board’s principal committees, each reporting regularly through the established sub-committee structure outlined in the [Our Governance Framework](#) section of this statement.

11.5.15 Capacity to handle risk

The Board is responsible for ensuring effective risk management to support the achievement of organisational objectives, setting strategic direction, defining risk appetite, and establishing the governance structures that manage risk. The Chief Executive, as Accountable Officer, holds overall responsibility for maintaining an effective risk management framework and system of internal control, while Executive Directors own and manage principal, corporate and operational risks within their portfolios. The Director of Corporate Governance/Board Secretary leads the 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 enables the Health Board to understand, evaluate and manage risks to improve decision-making, efficiency and outcomes, while providing assurance to stakeholders by reducing uncertainty and supporting effective prioritisation. It sets out the organisational arrangements for risk management, including roles, responsibilities, communication, escalation and reporting, and incorporates the risk strategy and supporting protocols.

The framework adopts the ‘Three Lines of Defence’ model—management control, risk and compliance oversight, and independent assurance—operating collectively within the Health Board’s governance system. Daily risk identification, assessment and management are supported through procedures, guidance, systems and tools, with the assurance and risk team providing training, advice and helping embed a risk-aware culture

In 2025/26, we conducted our annual risk maturity self-assessment following the Orange Book, a recognised public sector risk management standard.

The assessment covered five key areas relating to risk management which were assessed using the following maturity matrix:

Principle	Outcome	Observations
Governance and Leadership	Managed	The Health Board shows a consistently managed approach to risk governance, with clear accountability structures, defined roles for senior risk leaders. Strong commitment is evidenced through endorsed frameworks, regular executive-level oversight, and embedded operational processes, though opportunities remain to strengthen local ownership and consistency across the Health Board.
Integration	Aware	The Health Board demonstrates a defined approach to integrating risk into strategic and operational decision-making, using the Board Assurance Framework, defined risk appetite statements and a range of impact assessments to inform strategy, policy and decision making. While governance forums routinely consider

		emerging risks, the timeliness and consistency of risk articulation and entry onto risk registers remain areas for improvement.
Collaboration and Best Information	Aware	The Health Board has a developing but maturing approach to aggregating and sharing risk information, with themed risk registers and operational governance forums in place, though sharing risks with regional partners and local authorities remains inconsistent and requires clarity. While technical expertise is provided to support risk leads across the Health Board via a business-partnering model and structured training, broader organisational uptake of risk training would enhance consistency and strengthen overall risk management maturity.
Risk Management Processes	Defined	The Health Board has a defined and maturing approach to assessing risks, supported by clear risk categories, an annually approved risk appetite, standardised scoring criteria, and challenge and scrutiny through governance forums. Timely and consistent articulation of risks at operational levels requires strengthening. Variable quality in action plans, delays in updating risk registers and limited collaboration between different functions limit the organisation’s ability to fully reflect its risk profile, exacerbated by resource and capacity constraints. Assurance arrangements are well-coordinated and embedded, with regular reporting, internal and external reviews and transparent annual disclosures, positioning the Health Board to strengthen and improve the quality and consistency of risk information used for decision-making.
Continual Improvement	Managed	The organisation has a managed and structured approach to assessing its risk maturity, undertaking an annual maturity assessment that gathers feedback from across the organisation and highlights areas for improvement to inform updates to the Risk Management Strategy. Progress against these improvement objectives is monitored and reported to the Audit and Risk Assurance Committee three times a year, ensuring visibility and accountability at senior levels.

Overall, the Health Board demonstrates a **maturing but variable level of risk management maturity**, with strengths at strategic and assurance levels and areas for further development at operational and system interfaces.

The assessment results will shape the revised Risk Management Strategy, which the Board will approve in September 2026. The current Risk Management Strategy, approved by Board in September 2025 can be read here: <https://hduhb.nhs.wales/about-us/governance-arrangements/policies-and-written-control-documents/policies/risk-management->

[strategy/?ts=1773327600478](#). This strategy supports achieving strategic objectives and aligns with committee structures, the BAF, and the corporate risk register.

In 2025/26, the Health Board's internal escalation framework continued to support the improvement of risk management by focusing on how Clinical Care Groups and Executive Functions manage risks in terms of scale, significance, timeliness, and quality.

Audit Wales reported in their structured assessment in 2025 that the Health Board has strong arrangements to oversee risks and continues to have a mature approach to overseeing its BAF, strong oversight the corporate risk register by the Board and its Committees, and an appropriate and up-to-date risk management framework and strategy in place.

11.5.17 Risk appetite

The Health Board [Risk Appetite Statement](#), which is reviewed annually, sets out the level of risk the organisation is willing to accept and the boundaries within which staff should operate. It is aligned to the organisation's control culture, supporting informed risk-taking at a strategic level, stronger control at operational levels, and recognising the regulatory environment in which the Health Board operates.

The Health Board approved a revised approach to risk tolerance in March 2025, implemented during 2025/26. Under this approach, each risk has a defined target risk score, representing the lowest level of risk the Health Board is willing to tolerate. This supports clearer, more informed decision-making by identifying where higher or lower levels of risk are acceptable. This represents the ultimate level of risk achievable given available means and resource. Target scores must be quantified, aligned to performance measures where possible, and supported by a defined timescale for reducing the current risk to the target level.

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 route 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](#) underpins the Health Board's continuous approach to identifying, assessing and managing significant risks across all activities. Risks are evaluated using the Health Board's scoring matrix to ensure consistent prioritisation. Risks are identified through both bottom-up and top-down processes, with each Clinical Care Group and Executive Function responsible for managing risks within the Board's agreed appetite and tolerance, and escalating or de-escalating them as required

Communicating and consulting with internal and external stakeholders is essential to effective risk management. Many principal and corporate risks require collaborative action with partners to achieve our objectives and improve population outcomes. For example, the Regional Joint Committee (RJC) with Swansea Bay University Health Board supports joint work to address

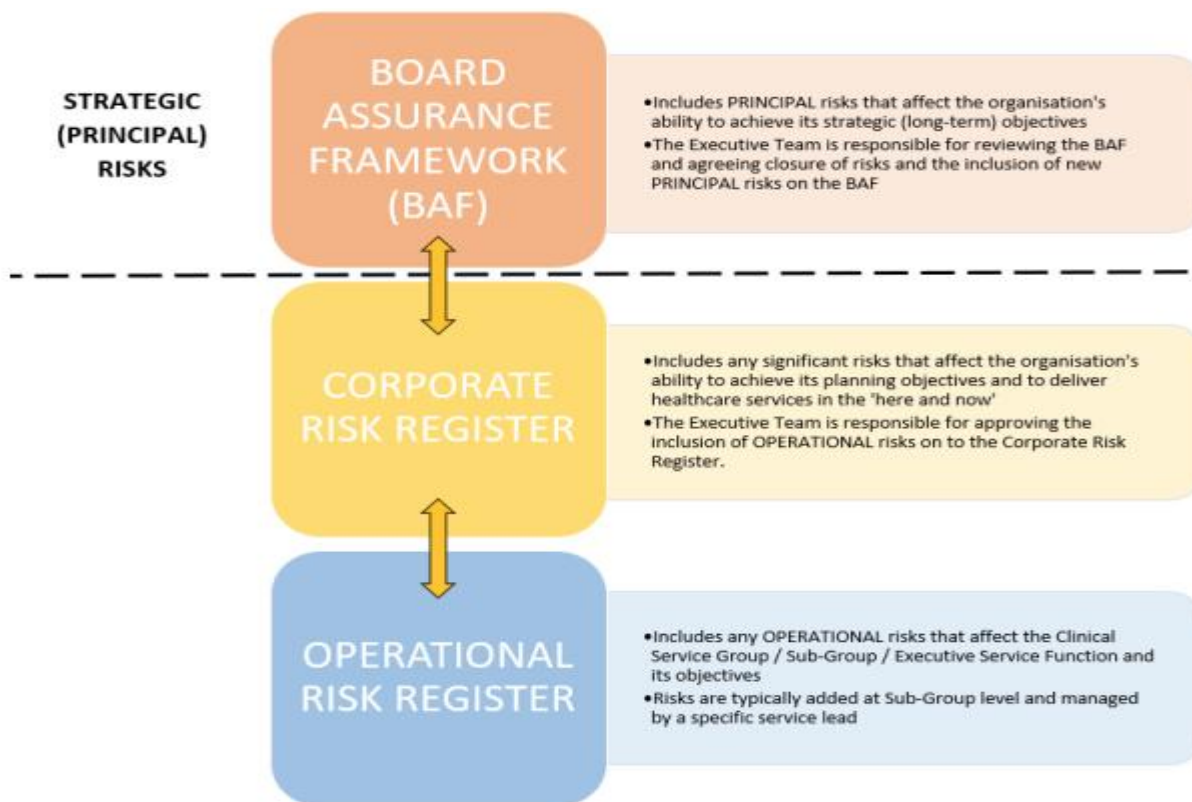
shared risks, and improving integrated community and acute unscheduled care requires a whole-system approach with partners such as WAST, local authorities and domiciliary care providers to improve patient flow through our hospitals.

Engagement of stakeholders has also taken place through multi-agency partnership working. The RPB, the MWJC and the RJC 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 the principal risks that may affect delivery of our strategic objectives. These risks form part of the Board Assurance Framework, which is currently being refreshed following the review of our ‘*A Healthier Mid and West Wales - Healthier lives, well lived*’ strategy.

Executive Directors also identify and approve significant operational risks for the Corporate Risk Register (CRR). These risks reflect risks affecting our ability to deliver services in the ‘here and now’.

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 applying the ‘Three Lines of Defence’ model, the Health Board ensures that operational managers are supported in their day-to-day management of risk by specialist functions that provide expert guidance and oversight. All principal and corporate risks, along with operational risks assessed as high or extreme, are reported to the relevant committee, which is responsible for

scrutinising the risks and providing assurance to the Board on their effective management. The Executive Team undertakes monthly reviews of all corporate risks and quarterly reviews of principal risks.

11.5.20 Risk profile

The Health Board continues to operate within a significantly challenging health and care environment, reflecting pressures experienced across Wales and the wider NHS. Sustained demand on hospital services driven by demographic change, rising prevalence of long-term conditions, and wider system constraints continues to exert significant operational pressure. Key underlying factors include workforce availability across health and social care, affordability and cost-of-living impacts, inflationary pressures on public finances, an ageing estate, and increasing population health needs. These pressures contribute to delays in care, challenges in meeting ministerial priorities, increased pressure on staff, reduced system efficiency, and ongoing financial constraints. They are reflected in the Health Board's most significant operational risks, as detailed in the [CRR section](#) later in this report.

The Health Board's long-term strategy, '*A Healthier Mid and West Wales - Healthier lives, well lived*', remains focused on placing people and communities at the centre of our model of care. Our Board Assurance Framework section outlines the principal risks to achieving our strategic objectives set out within this strategy and the actions in place to mitigate them.

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, available at <https://hduhb.nhs.wales/board-assurance-framework-pdf/> includes access to the interactive BAF dashboard, which Audit Wales has recognised as a model of good practice. The BAF sets out the principal risks to achieving our objectives, the associated controls and assurances, and aligns outcomes to both strategic objectives and planning priorities. Following the refresh of *A Healthier Mid and West Wales - Healthier lives, well lived* and the refreshed strategic objectives, the BAF is being revised and will be presented to the Board in July 2026.

There are 15 principal risks that have been aligned to our four strategic objectives. The most significant risks to achieving our strategy are listed below with their current and target risk scores (CRS and TRS):

- **1199 Achieving financial sustainability (CRS 25, TRS 8)**

Achieving a three-year financial balance is a statutory requirement and a clear expectation of Welsh Government. The Health Board continues to face a significant underlying deficit, which impacts future planning and moves the organisation further from national financial targets. The drivers of this deficit are well understood, supported by detailed business intelligence that highlights where corrective action is required. An internal escalation framework, aligned with the Improving Together programme, supports under-performing Clinical Care Groups and Executive Functions to strengthen financial plans and deliver savings. Throughout 2025/26, the Health Board

has maintained ongoing dialogue with Welsh Government to monitor progress and support efforts to reduce its escalation status.

- **1196 Insufficient investment in facilities/equipment/digital infrastructure (CRS 20, TRS 6)**

The Health Board faces significant risks arising from insufficient investment in its estate, medical equipment and digital infrastructure, which affects the ability to provide safe, sustainable and accessible services. Major concerns include reinforced autoclave aerated concrete (RAAC), fire safety requirements and wider business-continuity risks across the estate. A programme group oversees the development of programme business cases to secure long-term capital investment in support of our strategic ambitions.

Mitigating actions include progressing business cases aligned to the '*A Healthier Mid and West Wales - Healthier lives, well lived*' strategy and the estates rationalisation programme, alongside business-continuity cases to address critical infrastructure backlogs on acute sites. Further work is underway to develop a primary care and community strategy and to advance the digital strategic plan.

- **1197 Implementing models of care that do not deliver our strategy (CRS 16, TRS 4)**

The Health Board has completed the clinical review requested by Welsh Government, and a Strategic Outline Case is underway to support delivery of '*A Healthier Mid and West Wales - Healthier lives, well lived*'. We continue to work with Welsh Government to clarify the affordability framework and to scope both the strategic and interim delivery programmes.

Key actions include developing plans for critical clinical services to address sustainability risks, progressing a primary care and community strategy, and advancing implementation of the digital strategic plan.

- **1198 Ability to support shifting of care in the community (CRS 16, TRS 8)**

Achieving our strategic objectives requires overcoming longstanding system and service arrangements and supporting changes in how our population accesses care. To address this, the Health Board is developing a primary care and community services strategy, implementing the Six Goals for Urgent and Emergency Care to meet ministerial priorities by March 2026, progressing a long-term financial route map, and advancing delivery of the '*A Healthier Mid and West Wales strategy - Healthier lives, well lived*'.

- **1186 Attract, retain and develop staff with the right skills (CRS 15, TRS 8)**

Our most significant challenge is maintaining a sufficient and sustainable workforce to deliver safe, effective and high-quality services. Recruitment and retention are affected by geographical factors, national workforce shortages, unappealing rotas and an ageing workforce. Becoming an employer of choice and ensuring robust workforce planning and development are therefore essential to delivering our workforce strategy. To address this risk, the Health Board is developing a comprehensive workforce plan and piloting the Maturity Matrix independent assessment process to strengthen workforce sustainability.

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 2026.

Hywel Dda Risk Heat Map					
	Likelihood →				
Impact ↓	Rare	Unlikely	Possible	Likely	Almost Certain
Catastrophic					1199
Major 4			1191 1185 1192	1197 1198 1186	1196
Moderate 3		1184 1200 1189	1188 1193 1195	1194	
Minor					
Negligible					

11.5.22 Corporate Risk Register (CRR) and Board Oversight

The Health Board’s Corporate Risk Register (CRR) highlights a range of significant operational risks that could affect the immediate delivery of healthcare services. To ensure robust governance and oversight, the CRR is presented at every alternate Board meeting, enabling regular scrutiny and review. Furthermore, each identified risk is aligned to a specific Board-level committee. This mapping ensures that the Board receives assurance, via dedicated update reports, regarding the ongoing management and mitigation of these risks.

During 2025/26, the CRR has been dynamic and responsive to new and emerging risks:

Total number of risks on CRR on 1 April 2025	21
New risks added during 2025/26	8
De-escalated/closed during 2025/26	5
Total number of risks on CRR of 31 March 2026	24

Below are the most significant risks that are on our Corporate Risk Register, with their current and target risk scores (CRS and TRS), and how we are managing and mitigating them:

- **797 - Risk of adverse patient and workforce outcomes if Health Board wide ultrasound services are unsustainable (CRS 25, TRS 10)**

The Health Board continues to face significant challenges in delivering a sustainable ultrasound service due to national shortages of sonographers, recruitment difficulties and demand exceeding capacity. This has contributed to long waiting times, increased risk of delayed diagnosis, and workforce pressures, including rising repetitive strain injuries and limited ability to job-plan effectively. To mitigate this risk, the Health Board is strengthening governance and management arrangements for the ultrasound pathway and progressing long-term workforce development and diversification. Demand and capacity concerns have also informed the radiology service's 2026/27 annual plan.

- **2305 - Risk to staff wellness due to pace and breadth of organisational change (CRS 20, TRS 12)**

This risk reflects the cumulative impact of sustained financial pressures and the requirement to deliver efficiencies while maintaining patient safety, which has placed significant strain on the workforce over the past year. This has been intensified by major organisational change within the Operations function, creating uncertainty around job security, role clarity and future career pathways. Trade Union partners have reinforced these concerns, reporting increased anxiety and declining staff wellbeing, while the 2024 NHS Wales Staff Survey confirms that burnout remains a significant challenge for the Health Board. If not carefully managed, the wider effects of organisational change risk undermining organisational culture and staff experience, leading to increased employee relations issues, team dysfunction, sickness absence and turnover, with consequent impacts on engagement, productivity and overall organisational performance.

- **1032 - Risk of timely diagnosis and treatment to mental health and learning disabilities clients due to demand and capacity (CRS 20, TRS 12)**

The Health Board continues to face significant pressures in meeting assessment and diagnosis targets for children and young people with autism spectrum disorders, due to rising referrals and demand exceeding capacity. Delays in receiving non-recurrent Welsh Government funding for Children's Neurodevelopmental services, alongside recruitment challenges, have further affected service planning and delivery. An improvement plan is in place to stabilise and expand the workforce, increase use of outsourcing and data-validation processes to reduce waiting lists, redesign pathways, and strengthen regional partnership working to deliver a whole-system, needs-led approach aligned with ministerial priorities.

- **1027 - 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 (CRS 20, TRS 8)**

Urgent and emergency care services across all acute sites continue to experience significant and sustained capacity pressures, with Glangwili General Hospital remaining a major system pressure. Although some performance indicators have improved over the past year, such as time to clinical assessment, ambulance handovers over one hour, and delayed pathways, performance remains above Welsh Government Targeted Intervention thresholds. Controls in place include embedding the MIYA digital platform to support the Optimal Flow Framework and continued collaboration with the Welsh Ambulance Service Trust and local authority partners.

In January 2026, the Board approved the implementation of 7-day Clinical Streaming, Hospital at Home and the Optimal Same Day Emergency Care model, with risk actions reflecting the requirements of this decision.

- **1552 - Risk of insufficient mortuary capacity due to current and anticipated future demand (CRS 20, TRS 8)**

The Health Board faces ongoing challenges in maintaining adequate mortuary storage capacity, with demand expected to increase due to demographic trends. Limited estate footprint restricts opportunities for expansion, creating risks to compliance with Human Tissue Authority standards and the delivery of a dignified service. Current controls include the use of temporary storage units, inter-site transfers and contingency arrangements with funeral directors. Further actions include developing a business case and exploring capital options to expand body storage capacity, alongside planned estate works to enable installation of cold-storage solutions across all four acute sites.

- **2079 - Risk of loss of Pathology services across the health Board due to delayed implementation of LIMS (CRS 20, TRS 5)**

The national roll-out of the Laboratory Information Management System (LIMS), which is critical to the delivery of pathology services, has been delayed, and programme funding ends in March 2026. While local and national governance arrangements and short-term contingency plans are in place, the absence of a long-term national contingency plan and limited resources pose a risk to successful implementation. To mitigate this, the Health Board is reviewing alternative system options and working with Digital Health Care Wales to extend project timescales

- **1810 - Risk to delivering effective and timely cancer service due to aseptic unit facilities being non-compliant with Quality Assurance of Aseptic Preparation Services (QAAPS) (CRS 20, TRS 5)**

The Health Board faces a risk of non-compliance with regulatory standards due to ageing equipment and facilities within its sole aseptic unit. This is compounded by staffing issues and insufficient resources. Without investment, the service may become unsustainable, resulting in increased reliance on high-cost outsourcing for cancer treatment preparation until a regional aseptic hub is established in South-West Wales. Welsh Government funding has been secured for a new demountable aseptic unit at Wityhush General Hospital, expected to be operational by September 2026. Work is also underway to strengthen the quality system through additional staffing, revised roles and exploring shared Quality Assurance support with neighbouring Health Boards.

- **1978 - Risk of insufficiently skilled workforce to deliver services due to limited labour market (CRS 16, TRS 12)**

The Health Board continues to experience significant workforce pressures due to a limited labour market and national shortages across multiple professional groups, compounded by current vacancy levels and sickness absence. Staffing across acute and community settings

remains below establishment and is increasingly reliant on additional hours, bank and agency provision. Detailed assessment has been undertaken to understand risk levels across nursing, medical, allied health professions and healthcare support workers. Mitigating actions include stabilisation programmes, the Clinical Services Plan (supporting operational and strategic workforce planning) and the Improving Together framework to realign the available workforce to new service models

- **1861 - Risk of harm to staff, patients public and critical assets due to insufficient physical security measures and systems (CRS 16, TRS 12)**

This information has been withheld and discussed at the Health and Safety In-Committee.

- **1664 - Risk to ophthalmology service delivery due to a national shortage of consultant ophthalmologists and the inability to recruit (CRS 16, TRS 8)**

The Ophthalmology service continues to face significant sustainability challenges due to national shortages of Consultant Ophthalmologists, wider workforce recruitment difficulties, and limited clinical space across hospital sites. Demand continues to exceed capacity, and the fragility of the service is reflected in its inclusion within the Clinical Services Plan. In February 2026, the Board approved the development of cataract outpatient and day-case services at Amman Valley Hospital and the addition of Aberaeron Integrated Care Centre as a service provider, subject to a business case. Once implemented, these changes will consolidate emergency eye care at Glangwili General Hospital and deliver diagnostics and outpatient activity in community settings, supporting service sustainability and improving waiting times by concentrating specialist expertise across fewer sites

- **1350 - Risk of not meeting the 75% SCP waiting times target for March 2026 due to diagnostics capacity and delays at tertiary centre (CRS 16, TRS 8)**

Capacity constraints in diagnostics, ongoing treatment delays at tertiary centres and continued fragility across key tumour site services present significant challenges to meeting national cancer performance targets. Although performance improved during 2025/26, reflected in the Health Board's de-escalation by Welsh Government in January 2026, performance is expected to fluctuate as patients waiting over 62 days are treated, and there remains a risk that the 75% target may not be achieved by March 2026. Plans are in development to reduce waiting times and backlogs across all specialties, while work with the NHS Executive to review primary care referral patterns is paused until the next financial year.

- **Risk the Health Board will not have an approvable Integrated Medium-Term Plan (IMTP) by March 2028 (CRS 16, TRS 4)**

The Health Board's 2026/27 Annual Plan remains non-approvable as an Integrated Medium-Term Plan (IMTP), and the statutory breach of the NHS (Wales) Act 2006 continues, with the organisation remaining in Targeted Intervention for Planning, Finance, Urgent and Emergency Care, and Hospital Acquired Infections. Although the plan demonstrates increased maturity through risk-led prioritisation and improved demand and capacity modelling, it forecasts a

£41m deficit and confirms that Targeted Intervention criteria cannot be met within current resources while maintaining safe services. The plan identifies 656 organisational risks, including 226 high and extreme patient safety risks linked to sustained system pressures, workforce fragility, the cessation of e-prescribing and significant estate challenges, supporting an increase in the overall current risk score from 12 to 16 and reflecting deterioration across six of the ten risk dimensions since 2025/26.

- **684 - Risk to the timely investment and replacement of Radiology equipment and supporting infrastructure (CRS 16, TRS 8)**

The Health Board continues to experience significant disruption to diagnostic services due to the increasing failure of ageing imaging equipment, impacting patient flow, Referral to Treatment performance, discharge delays, staffing costs, and resulting in increased Single Cancer Pathway and 8-week breaches during periods of downtime. Equipment failures have also led to a rise in IR(ME)R notifiable incidents, while replacement has not kept pace with professional guidance, compounded by constraints in physical space, electrical infrastructure and the high cost and limited availability of spare parts. Mitigation is reliant on securing funding to support the procurement and installation of replacement equipment, with a rolling, prioritised programme in place in coordination with Estates; however, the timing for achieving the target risk score remains uncertain due to funding dependencies and significant infrastructure requirements.

- **1859 - Risk of poor patient outcomes and experience due to the inability to effectively recognise and manage acute deterioration (CRS 15, TRS 10)**

There remains a risk that the Health Board may not consistently recognise and respond to acute patient deterioration, affecting outcomes and experience. Current controls include the Recognition of Acute Deterioration and Resuscitation (RADAR) Group and site-specific task and finish groups to address process non-compliance and training gaps, alongside participation in the National Safe Care Collaborative. Further actions include developing an audit tool to monitor compliance, strengthening national collaboration through the Safe Care Partnership, creating e-learning modules on sepsis with the NHS Executive, and implementing Call for Concern across all adult inpatient areas, including Maternity, Paediatrics, Neonates and Mental Health.

- **1745 - Risk of not being able to safely deliver services due to ageing estate and infrastructure across the Health Board (CRS 15, TRS 10)**

The Health Board continues to operate within an ageing estate, with elements beyond their life expectancy, impacting the ability to deliver services in line with expected standards. Limited capital funding increases reliance on revenue budgets to address emerging issues, while a significant backlog remains. The Health Board is working in partnership with NHS Wales Shared Services Partnership – Specialist Estates Services through a three-year major infrastructure investment programme and continues active engagement with Welsh Government to secure the resources required to progress planned works.

- **1860 - Risk of serious harm to staff due to violence and aggression in the workplace (CRS 15, TRS 9)**

There remains a risk of serious harm to staff due to incidents of violence and aggression. The Health Board has established risk-assessment processes, a violent-patient warning marker procedure and a lone-working policy to support and protect staff. Security arrangements and incident data are regularly reviewed by the Health and Safety Committee, which provides assurance to the Board on the actions in place to mitigate this risk.

- **813 - Risk of failure to fully comply with the requirements of the Regulatory Reform (Fire Safety) Order 2005 due to ageing infrastructure (Current Risk Score 15, Target Risk Score 5)**

Phased fire-safety improvement works continue across the Health Board, with significant investment directed towards addressing recommendations set out in Letters of Fire Safety Matters and active Enforcement Notices issued by Mid and West Wales Fire and Rescue Service. Programme timelines have been agreed between the Health Board, Welsh Government and MWWFRS senior inspecting officers. While progress is being made to reduce the physical backlog, additional funding will be required to address fire-safety defects across all sites to ensure full compliance.

- **1531 - Risk of being unable to safely support consultant on-call rotas at two hospital sites due to workforce pressures (CRS 15, TRS 5)**

The fragility of the general surgery consultant rota, particularly within upper gastrointestinal surgery, continues to present a significant sustainability risk. The service is included within the Clinical Services Plan to ensure a safe and resilient emergency general surgery model for the south of the Health Board area. In February 2026, the Board approved the consolidation of surgeons from Glangwili and Worthybush General Hospitals into a single team to address long-standing workforce pressures and improve the safety and quality of care for the most seriously ill patients.

- **2086 - Risk that the cash consequences of the Health Board deficit cannot be covered by Welsh Government should it exceed our Target Control Total (CRS 12, TRS 12)**

There remains a risk that the Health Board may not meet its statutory financial targets due to the scale of savings required. This risk held an extreme rating for much of the year, reducing from 20 to 15 in November 2025 following an improved financial forecast submitted to Welsh Government. The score was further reduced in February 2026 after formal confirmation of additional funding from Welsh Government.

- **2104 - Risk to delivery of Ministerial Priorities relating to planned care recovery ambitions 25/26 due to demand exceeding capacity (CRS 12, TRS 9)**

Demand continues to exceed current and forecast capacity in several key specialties, creating a risk to achieving planned care ministerial priorities by March 2026. Although recovery funding has supported priority specialties this year, theatre cancellations at Glangwili General Hospital have further reduced core capacity, particularly within Orthopaedics, contributing to the fragility

highlighted in the Clinical Services Plan. Mitigating actions include developing and appointing to senior management roles in Critical Care, Anaesthetics, Pre-Assessment and Theatres to strengthen leadership and support more resilient service delivery.

- **2190 - Risk of delay in Continuing Healthcare (CHC) direct payments due to short timescale, limited resources and lack of Welsh Government policy guidance (CRS 12, TRS 8)**

There remains a risk that the Health Board will be unable to meet the requirements for implementing Direct Payments by 1 April 2026 due to the absence of national guidance and clarity on the proposed delivery model. This creates potential challenges for making required payments and may adversely impact service delivery and patient experience. While local task-and-finish groups and national CHC meetings are in place, the Health Board currently lacks the systems, governance structures, dedicated resources and specialist expertise needed to meet forthcoming policy requirements. Mitigating actions include identifying the workforce needed to deliver a compliant direct payments model, agreeing a training specification to strengthen organisational capability, and introducing an electronic referral system to support staff, local authority partners and patient self-referrals.

- **2204 - Risk of health board being unable to meet statutory CRL due to uncertainties around funding provision and capital commitments (CRS 12, TRS 8)**

There remains a significant level of unspent capital within the programme, with approximately 60% outstanding at the end of January 2026, reflecting planned delivery in quarter 4 and the late approval of Welsh Government capital funding, totalling £8m received from November 2025. Given the scale and volume of schemes still to be delivered, the overall risk profile has increased, and the Health Board has declined any additional end-of-year capital funding. Failure to deliver the capital programme would result in underspending against the Capital Resource Limit, carry-forward of commitments into future years, and adverse impacts on the 2026/27 capital allocation and future Discretionary Capital Programme, as underspent 2025/26 schemes would require funding in subsequent years.

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 2026:

Hywel Dda Risk Heat Map					
	LIKELIHOOD →				
Impact ↓	Rare 1	Unlikely 2	Possible 3	Likely 4	Almost Certain 5
Catastrophic 5			8131745 1531 1859	1027 1552 1810 2079 2305	797
Major 4			1433 1988 2086 2104	1978 1664 1861 684 1350	1032

				2212	
Moderate 3				2190	1860
Minor 2					
Negligible 1					

Further information on corporate risks in 2025/26 can be found in our Board papers, as follows:

- [Read the Corporate Risk Register Report as July 2025 Board meeting in public here.](#)
- [Read the Corporate Risk Register Report as September 2025 Board meeting in public here](#)
- [Read the Corporate Risk Register Report as January 2026 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 2025/26, 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 NHS Performance & Improvement detailing compliance, together with the latest version of the Health Board's Major Incident Plan, both of which were ratified by the Board on 31 July 2025.

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 Executive Improving Together Sessions to ensure that each clinical care group and corporate directorate (functions) 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 was revised in March 2025 where the Improving Together Framework and escalation framework were combined into a new 'Our Improving Together Framework'. This focuses around seven key domains for improvement: quality & safety, governance, workforce, population health, finance, strategy/planning/fragile services and performance & outcomes, with functions assigned one of the following escalation levels for each of the 7 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
- 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.

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, an increase in staff appraisal compliance, strengthened business continuity planning and increased staff flu vaccination uptake.

• **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.

• **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 2025/26 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). The Clinical Care Groups provided reports to QSEC on quality and clinical safety matters within their operational remit. The Committee also received a regular report of areas of targeted intervention, a risk register where risks relate to the work of the Committee, and during the year, QSEC also held extraordinary meetings with a focus on the Clinical Services Plan and deep dives on provision of care where there is service fragility.

QSEC is supported by 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. During the year, the quality governance arrangements were reviewed and an Integrated Quality, Finance and Performance Delivery (IQFPD) Group introduced. IQFPD meets on a bi-weekly basis and the second meeting of each month focuses on quality from an operational delivery perspective. The quality focused IQFPD meeting is chaired by the Executive Director of Allied Health and Health Science.

During the year, the Health Board strengthened its operational quality and safety governance arrangements to address gaps, inconsistencies and duplication in reporting. As a result of this review, QSEC approved the disestablishment of the Quality, Safety and Experience Sub-Committee, with its functions incorporated into the revised governance model and enhanced reporting established directly to QSEC. The effectiveness of these arrangements will be subject to further review.

- **Quality governance arrangements within our directorates**

During the year, our new clinical care groups (CCG) have strengthened the quality governance arrangements within their areas. Each CCG uses standard terms of reference and agenda to ensure that all quality governance areas are considered. The CCGs have provided regular reports on their activity to QSEC and to IQFPD.

Tools and processes have been refined in year 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 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 2025/26, the quality impact assessment methodology introduced in 2024/25 was reviewed and strengthened. 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, review in detail each quality impact assessment before the proposed strategic change is considered by the Board for approval.

During the year, more than 96 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.

- **Safety dashboard**

Our safety dashboard is used to 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 Executive Recovery Meeting sessions. The Health Board was a finalist in two categories, Data-Driven Transformation Award and Patient Safety, at the annual Health Service Journal Awards 2025 for the work of our safety dashboard.

- **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 2025/26, HIW published seven 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, four 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**

During 2025/26, the Clinical Audit Programme was delivered in two six-month cycles to increase the timeliness of planned audit activity and allow additional opportunities for services to contribute. The number of audits undertaken increased, reflecting both returning core audits and a new programme of ward-based nursing audits. Most national audits and outcome reviews are in progress, with areas of concern supported by the Clinical Audit Scrutiny Panel and the Clinical Director for Clinical Audit.

The AMAT system continues to enhance transparency and accountability, with over 2,500 users and 307 completed audits recorded to date. Ward-based audits have generated significant improvement activity, with around 2,000 actions completed and more than 700 in progress.

The Health Board has also expanded its programme of standardised audits, including the Clinical Record Keeping Audit, and continued whole-hospital and Health Board-wide audit meetings to strengthen learning and support quality improvement across services.

- **Information governance (IG) arrangements**

We have continued to maintain and strengthen its information governance (IG) arrangements, building on the established framework previously reported to Corporate Office and providing sustained assurance through formal governance structures and reporting to the Information Governance Sub Committee (IGSC).

The Health Board operates an established information governance framework designed to ensure that information is managed lawfully, securely and transparently, in accordance with UK GDPR, the Data Protection Act 2018, relevant sector specific legislation, and Information Commissioner's Office (ICO) guidance. Oversight of the IG and cyber security agenda is provided through the IGSC, which supports the organisation in driving continuous improvement and provides assurance to the Health Board that effective information governance and cyber security controls are in place.

Key statutory and senior accountability roles are embedded within this framework:

- The Caldicott Guardian fulfils their responsibility for protecting the confidentiality of patient and service user information while enabling appropriate and proportionate information sharing in support of care and service delivery.

- The Senior Information Risk Owner (SIRO) maintains an organisational accountability framework for information risk, ensuring that risks are identified, assessed and managed consistently across the Health Board.
- The Data Protection Officer (DPO) provides independent oversight and advice to ensure compliance with data protection legislation and regulatory expectations.
- Information Asset Owners (IAOs) are in place across all service areas, with responsibility for understanding and managing the information assets within their remit. Through continued collaboration with the IG team, a comprehensive programme to establish and mature the Health Board's Information Asset Register has progressed, with information asset registers now drafted for all service areas.
- These arrangements are further supported by established forums including the Information Asset Owners Group, the Caldicott Guardian Group and the Cyber Security Assurance Group, all of which meet regularly and report into the IGSC to ensure coordinated oversight and escalation of issues.

We continue to meet its statutory responsibilities in relation to freedom of information, data protection, subject access requests, and the appropriate processing and sharing of personal identifiable information. Assurance of compliant information governance practice is evidenced through a range of mechanisms, including quarterly performance and assurance reports to the IGSC incorporating key performance indicators, and a detailed operational IG compliance work plan that is reviewed by the Sub Committee on a quarterly basis. This work plan tracks progress against actions required to maintain and improve compliance with data protection legislation and associated standards.

A comprehensive suite of information governance and information security policies, procedures and guidance remains in place and is supported by dedicated IG intranet pages to promote staff awareness and access to guidance.

Mandatory IG training continues to be delivered on a bi-annual basis, with targeted follow up of non-compliance to reinforce organisational expectations and accountability. Over the most recent reporting period, the Health Board has maintained an overall compliance rate of 83.88% (with reaching 85.32% in October) across information governance, records management and cyber security training, with continued emphasis on reinforcing core data protection principles, including the requirement that personal data is handled only in accordance with individuals' rights.

Monitoring of access to patient records continues to be strengthened through the full implementation of the National Intelligent Integrated Audit Solution (NIIAS). NIIAS is supported by staff training, defined procedures for investigating inappropriate access, and ongoing awareness activity, including staff communications, group training sessions, IG drop-in sessions and visible awareness materials across Health Board sites. These measures reinforce the importance of confidentiality, appropriate access to patient records and lawful information sharing.

As part of its wider assurance activity, the IG team has undertaken information governance audits across multiple Health Board sites, including Glangwili, Withybush, Bronglais and Prince Philip hospitals. These audits have focused on identifying information governance, information security and patient confidentiality risks, providing assurance that procedures and protocols are being

followed and that appropriate actions are in place to protect data and information assets. Audit reports, including recommendations, have been issued to services, with progress monitored through established governance arrangements.

The Health Board has also undertaken a full assessment against the Welsh Information Governance Toolkit, with outcomes demonstrating a very good level of assurance in relation to the management of information governance risks. In addition, the six Managed GP Practices have completed their assessment against the Welsh Information Governance Toolkit attaining very good levels of compliance against national Information Governance standards and legislation. IG matters are escalated through the DDIC as required, ensuring visibility and corporate oversight of risks and improvement actions.

11.5.25 Planning arrangements

We remain committed to the principles of our '*A Healthier Mid and West Wales - Healthier lives, well lived*' strategy originally set out in 2018, 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. Since the strategy was published there have been many changes. These include the COVID-19 pandemic impacting our services and the health of our population; our buildings have become older and in greater need of repair; and the issues we predicted could take place without change have started to appear, with services becoming more fragile as staff age and retire and clinical standards improve. There have also been more encouraging developments with the progression of community facilities; more services in the community; a successful nursing workforce stabilisation programme and accelerated digital transformation, which has gained more momentum post-pandemic as a result of the need to create digital ways of working.

The strategy refresh '*A Healthier Mid and West Wales – Healthier lives, well lived*' presented to Board in January 2026 has been a process of looking at what we said we wanted to achieve, what we have managed to accomplish and what we still set out to do. We engaged with our public to understand what is important to help us live a healthy life, as well as understand what some of those changes could mean to our wider communities. The engagement, as well as the review of the strategy, has helped identify new areas that we want to explore between now and 2040. Throughout our strategy, we have used what staff, patients and partner organisations have told us during the engagement to help shape our goals, whether that is the development of more care in communities, improvement in our buildings, or considering how people access and get to their care.

Alongside this we have been undertaking our Clinical Services Plan (CSP). The long-term plans for services remain as set out in our strategy; however, there is a need to consider service provision over the medium-term, particularly with the delays in the '*A Healthier Mid and West Wales - Healthier lives, well lived*' infrastructure programme. Prior to the pandemic, and in our strategy, it was recognised that many of our services are fragile, predominantly because our clinical teams are spread across multiple sites leading to an over-reliance on a small number of individuals. This remains the case and, in certain areas, that risk has materialised. Similarly, there

are many services that have not returned to pre-pandemic waiting times, which is limiting access for patients, e.g. for those patients awaiting elective surgery. Given the challenges, the Health Board has developed a CSP, with options to change nine services. These services are critical care, dermatology, emergency general surgery, endoscopy, ophthalmology, orthopaedics, radiology, stroke, and urology.

The aim of the CSP has been to:

- respond to the fragility of the critical care and emergency general surgery services.
- improve standards and outcomes and address staffing challenges in the stroke service.
- improve access to, and reduce waiting times for, planned care patients (ophthalmology, dermatology, urology and orthopaedics) and diagnostics (endoscopy and radiology).

The work so far can be broken down into three phases:

- first phase in 2023 engaged more than 6,000 stakeholders and looked at the factors affecting these services. This led to the development of an Issues Paper.
- phase two in 2024 developed potential future options for the nine service areas and engaged a range of stakeholder groups to examine and refine options.
- Finally, phase 3 involved public consultation on the shortlisted options, to give as wide a range of people as possible a chance to comment on the proposals. These were taken into consideration at an Extraordinary Board meeting in February 2026, where the Board agreed the preferred configuration of clinical services in these areas, with business plans to be developed, in due course.

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 2025 Board meeting, the Health Board wrote to the Welsh Government in February 2025, 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 2025. Instead, we would produce an Annual Plan for 2025/26.

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 2025/26 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 2025, although given the financial position this was unsupportable and unacceptable by Welsh Government (letter of 6 June 2025).

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. The Board's longer term route map to financial recovery also underscores the need for ongoing service change (as exemplified by the CSP), 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.

The inability to produce an IMTP, is fundamental to the ongoing escalation to level 4 for finance, strategy and planning.

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 continues to progress actions arising from the three active Enforcement Notices issued by Mid and West Wales Fire and Rescue Service, supported by Welsh Government funding. Phase 2 fire-safety works are scheduled for completion by October 2027 at Wityhush General Hospital, May 2029 at Glangwili General Hospital, and March 2026 at Cwm Seren. In addition, substantial fire-improvement works at Bronglais General Hospital, as outlined in Letters of Fire Safety Matters, will commence in December 2026 and conclude by December 2029.

The Health Board maintains regular engagement with MWWFRS, monitors all recommendations through the AMaT system, and provides routine progress updates to the Health and Safety Committee, which assures the Board of compliance activity and risk-reduction measures.

- **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 this is 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.
- An internal programme has been introduced for EqIA's, with manager and peer audits carried out, to ensure a high quality, robust EqIA process.
- 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 2025/26 include:

- Key highlights for 2025-26 include:
- 60 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 Active Bystander, neurodiversity training, trans awareness and gender expression and disability and reasonable adjustments amongst others. 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. 260 equality impact assessments have been undertaken during 2025-26.

- We also continued to drive progress of our Strategic Equality Plan and Welsh Government's Anti-Racist Wales Action Plan and LGBTQ+ Action Plan, strengthening our organisational commitment to equity and inclusion through improved governance, clearer accountability, and targeted actions that support fairer outcomes for staff and communities.

- **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 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**

In relation to data security, we continue to strengthen its cyber security posture. The cyber security team provides ongoing security architecture advice to ensure system designs align with recognised best practice and comply with the Network and Information Systems Regulations (NISR). As an operator of essential services within NHS Wales, we recognise our legal obligations under NISR and continue to develop tools, capabilities and controls to protect critical systems and services from cyber threats.

We maintain robust arrangements for the management of personal data breaches, ensuring incidents are reported, investigated and escalated in line with statutory requirements, with learning used to inform service improvement. During the year, four incidents were proactively self-reported to the ICO, relating to unauthorised access to medical records and information disclosed in error.

Two incidents were closed by the ICO, providing assurance regarding the adequacy of the Health Board's response and remedial actions. Two incidents remain open with the ICO awaiting their review and decision.

Overall, the Health Board can provide assurance that robust and well embedded information governance and data security arrangements are in place, with clear accountability, effective oversight and a demonstrable commitment to continuous improvement through the IGSC and associated governance structures.

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 routinely met the national targets for coding completeness of 95% of activity within 1 month and the end of year position exceeds 98%. Slow progress has been made with the Data Quality workplan due to an increase in demand on the team from the introduction of new clinical systems being introduced to the Health Board to which the team have been closely supporting to ensure processes are implemented and owned early in the adoption of these systems. A revised plan has been developed to address the matters raised, with Internal Audit reviewing progress. One recommendation remains outstanding relating to the Health Board's Data Strategy, which will form part of the Digital Strategic Plan going to Board in September 2026. From April 2025, oversight of data quality has been 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 2025/26. [Details of these and a record of any ministerial direction given is available to read here.](#)

All directions issued have been fully considered by the relevant committees on behalf of the Board, and, where appropriate, implemented, through the new assurance and risk reports introduced in 2025/26. From this work it was evidenced that we were not impeded by any significant issues in implementing the actions required. (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 £656k has been included in the 2025/26 Annual Accounts (2024/25: £707k).

- **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, who receive regular updates on progress through the new assurance and risk reports introduced in 2025/26.

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 and Risk Assurance 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 **(Section to be updated when Head of Internal Audit Opinion is issued)**

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 2025/26:

**Head of Internal Audit Opinion not available –
Insert rating when issued**

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, three were allocated ‘substantial assurance’, five were allocated ‘reasonable assurance’, six were allocated ‘limited assurance’ with none allocated an ‘unsatisfactory assurance’ opinion. Three 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 2025/26 plan. However, arrangements across operational 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 (TBC) audits reviews were reported during the year. Figure 2 below presents the assurance ratings and the number of audits derived for each.

**Head of Internal Audit Opinion not available –
Insert graph of audits when issued**

Summary of 2025/26 audit assurance ratings: **(to be updated when Head of Internal Audit Opinion is issued)**

Substantial Assurance	<ul style="list-style-type: none"> Medical Devices Regulations Cyber Security Escalation Governance
Reasonable Assurance	<ul style="list-style-type: none"> Corporate Risk: Ophthalmology Commissioning – Long Term Agreements Patient Experience Managed Practices Departmental /Shadow IT systems management

Limited Assurance	<ul style="list-style-type: none"> • Nursing Management (Follow Up) • Sickness Management • Validation of Emergency Department Waiting Time Data • Human Tissue Authority • Vaccination and Immunisation • Level 3/4 • Operational governance arrangements
Unsatisfactory Assurance	<ul style="list-style-type: none"> • N/A
Advisory/Non-opinion	<ul style="list-style-type: none"> • Estates Assurance – Space Utilisation • Control of Contractors • Capital Governance Arrangements

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**

The audit reviewed the systems in place for rostering and absence management, and a follow up of an initial review conducted in 2024/25. 1 high priority and 2 medium priority actions were identified including the need to improve compliance with the key requirements of the NHS Wales Managing Attendance at Work Policy, to further improve the management of annual leave utilisation and to update the Standard Operating Procedure with clarification and refinement of the agency escalation approval requirements. One of the high priority recommendations which related to sickness reviews, was reviewed as part of the Sickness Management follow up in April 2026 and was reported as partially implemented.

- **Sickness management**

The audit aimed to provide the Health Board with assurance over the arrangements in place for managing sickness absence in accordance with the NHS Wales Managing Attendance at Work Policy. 1 high priority and 1 medium priority action were identified including the need to develop a planned programme of sickness absence reviews with outcomes to be reported via the operational governance structures, and to strengthen the promotion of available sickness absence management training through Viva Engage and Workforce Advisors/Managers. The recommendations were followed up in April 2026 and reported that 1 recommendation was partially implemented.

- **Validation of Emergency Department Waiting Time Data**

An audit was undertaken to assess two key performance measures within the NHS Wales Performance Framework: compliance with the four-hour emergency care standard and implementation of the Emergency Department 4-hour Breach Validation Standard Operating Procedure. The audit identified two high-priority and four medium-priority actions, highlighting inconsistent breach validation, variable clinical involvement in the validation process and gaps in performance-monitoring arrangements.

- **Human tissue authority**

The audit sought to provide assurance around systems and controls in place to manage and monitor activities related to compliance with the Human Tissue Act. 2 high priority and 4 medium priority recommendations were raised, including the need to update procedures and associated documents, address discrepancies in competency records, improve tracking and traceability of tissue samples, reduce delays in tissue disposal, and update overdue risk register entries.

- **Vaccination and immunisation**

The audit assessed arrangements to monitor and promote the uptake of vaccination and immunisation programmes amongst the eligible population covered by the Health Board. 5 high priority and 4 medium priority actions were identified including the finalisation and implementation of the West Wales Regional Health Protection Strategic Plan, to strengthen action tracking and monitoring, to update and monitor the IESP workplan, to develop and monitor vaccine-specific delivery plans, to review and streamline governance structures and to strengthen operational delivery, data use and evaluation.

- **Operational Governance**

An audit of the governance arrangements supporting the Clinical Care Group model introduced in April 2025 found that, while the framework is broadly well designed, it is not operating consistently or as intended. Issues were identified in accountability arrangements, the administratively burdensome meeting rhythm, inconsistent record-keeping and transparency, and weaknesses in escalation and reporting processes, leading to duplication and risks of delayed or inaccurate escalation. The review made 4 high priority recommendations and concluded that there is a clear opportunity to streamline operational governance, clarify escalation routes and make greater use of dashboards to improve focus, assurance and effectiveness.

- **Level 3 & Level 4 Functions**

A review of actions taken by Clinical Care Groups and Executive Directorates to support de-escalation identified limited assurance overall. While the Our Improving Together Framework provides a structured, data-driven approach to performance improvement across seven domains, it is resource-intensive, overly reliant on the Performance Team, and there is limited evidence that it is operating consistently or driving improvement. Key weaknesses include the absence of a single, central record of actions to support de-escalation, inconsistent quality and documentation of actions for escalated areas, failure to operate internal recovery meetings, unclear escalation routes, incomplete domain coverage within executive forums, irregular executive recovery meetings, and a backlog of long-standing actions. Collectively, these issues limit oversight, accountability and the effectiveness of internal escalation and recovery arrangements.

Unless a specific follow up review has been agreed, all recommendations from 'limited assurance' reports are subject to review and reported on as part of the 'Follow up and agreed Action Implementation Tracking' review by Internal Audit. 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 new assurance and risk report to Board Committees also provide an opportunity for assurance on implementation of IA recommendations. 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
Estates & Facilities Directorate	Time reallocated to be used for cleanliness standards re-audit follow up, which was itself subsequently deferred to 2026/27.
Cleanliness Standards re-audit	Re-audit of previous multiple limited assurance audits deferred as whilst actions were in process of being implemented, there was insufficient progress made with embedding the previously agreed actions.
Health & Safety	Re-audit of previous limited assurance audit deferred to 2026/27 as insufficient progress made with implementing the previously agreed actions.
Theatres Stock system implementation	Deferred to 2026/27 as a result of the impact of additional time taken on other audits.
Primary Care Corporate Risk	Deferred due to a reduction in the risk score which was reported to the Board.
Complaints	Deferred to 2026/27 due to the implementation of new arrangements.
Validation of Emergency Departments performance and waiting time data - Follow up	Follow up deferred to 2026/27 due to limited progress with implementation of actions.

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 2025 (available to read here: [Hywel Dda University Health Board – Structured Assessment 2025](#)) focused on how well the Health Board is governed and whether it made the best use of its resources. The overall assessment concluded that “the Health Board remains strongly committed to public transparency and continues to have good governance arrangements.”

Audit Wales found that in relation to corporate systems of assurance that “there are strong arrangements to oversee risk, performance, service quality and safety and audit recommendations. The Health Board is taking steps to improve data quality and further strengthen governance arrangements for quality and safety. There is an opportunity to clarify committee oversight in the Board Assurance Framework dashboard.”

In respect of the corporate approach to planning, Audit Wales found that “the Health Board is refreshing its long-term strategy and maintains good oversight for developing and delivering corporate plans and strategies. While the Health Board is progressing its Clinical Services Plan, the plan currently only covers nine of its most fragile services.”

Audit Wales found that in relation to the management of financial resources, “the financial position remains a concern, with a forecast year-end deficit for 2025-26 and the savings plan currently off track. As in previous years, the Health Board was unable to submit a financially balanced three-year integrated medium-term plan to the Welsh Government. However, the Health Board has improved on its opening plan deficit of £31.5 million, and at month seven, is forecasting a deficit of £28.3 million. It is also taking steps to improve the deficit position and achieve financial sustainability by 2028-29.”

Audit Wales reviewed our progress against recommendations made in previous reports and issued two new recommendations in the structured assessment for 2025. They recommended that the Health Board clarify the use of the Triple A (Alert, Advise, Assure) process and update the Board Assurance Framework Dashboard to include committee oversight arrangements. Both of which have now been completed.

During 2025/26, Audit Wales also completed the following reviews:

- Urgent and Emergency Care: Arrangements for Managing Demand Tackling the Planned Care Challenges
- Discharge Planning Progress Update
- Urgent and Emergency Care: Flow out of Hospital
- Review of the Management of Outpatients.

11.5.31 Conclusion

This year has been a further year of sustained challenge for Hywel Dda University Health Board, set against continued Targeted Intervention from Welsh Government and significant financial and operational pressures across both the organisation and the wider NHS in Wales. The Health

Board remains unable to produce a financially balanced Integrated Medium-Term Plan (IMTP), and this continues to represent a breach of our statutory duties for finance and planning. This position underpins our ongoing escalation to Level 4 for finance, strategy and planning, alongside escalation in other domains including urgent and emergency care and performance.

Notwithstanding this context, the organisation has demonstrated measurable progress during the year. In recognition of improvements made, Welsh Government has de-escalated the Health Board in respect of leadership and governance, cancer, and Child and Adolescent Mental Health Services, with these areas now subject to routine arrangements or enhanced monitoring. This progress reflects sustained effort to stabilise leadership, strengthen governance and introduce clearer accountability throughout the organisation.

A key focus during 2025/26 has been the development and embedding of more consistent and effective operational governance arrangements. The introduction of revised executive and operational governance structures, including strengthened Executive Team oversight and the Integrated Quality, Finance and Performance Delivery arrangements, has improved visibility of performance, quality, workforce and financial risks at both corporate and service levels. While Internal Audit recognised there is more to do and has highlighted variation in how these arrangements are operating across services, the overall framework is now established, understood and will be subject to further refinement in Quarter 1 of 2026/27, to reduce duplication, improve escalation routes and strengthen consistency.

Central to supporting this has been the continued use of the Health Board's internal escalation and recovery framework, aligned to the Our Improving Together approach. While this framework provides a structured, data-driven approach to performance improvement across seven key domains, Internal Audit has identified that it is resource-intensive, overly reliant on the Performance Team, and not yet operating consistently across the organisation. Specific weaknesses identified include the absence of a single, central record of actions to support de-escalation; variable quality and documentation of recovery actions; inconsistent operation of internal and executive recovery meetings; unclear escalation routes; incomplete domain coverage within executive forums; and a backlog of long-standing actions.

Notwithstanding these limitations, the framework has provided a common structure for risk-based oversight, enabled more explicit executive challenge, and improved transparency of performance, quality and financial risks at Board and committee level. Where applied effectively, internal escalation arrangements have supported clearer ownership of recovery actions, more disciplined performance management, and have been integral to areas where sustained improvement and de-escalation have been achieved. Addressing the weaknesses identified remains a key focus for 2026/27 to strengthen oversight, accountability and the effectiveness of internal escalation and recovery arrangements.

The Audit Wales Structured Assessment 2025 concluded that the Health Board remains strongly committed to public transparency and has good governance arrangements in place. Audit Wales recognised strong systems to oversee risk, quality, performance and audit recommendations, alongside a mature approach to the Board Assurance Framework and improved committee oversight. While the assessment continued to highlight the financial position and non-approval of

the IMTP as critical challenges, it acknowledged progress in strategy refresh, planning maturity, escalation management and governance arrangements. Recommendations from the Structured Assessment have been addressed during the year.

During 2025/26, the Health Board also completed a substantive refresh of its strategy, '*A Healthier Mid and West Wales – Healthier lives, well lived*', approved by the Board in January 2026. The refreshed strategy reaffirmed our long-term ambition to shift care closer to home while responding realistically to current constraints, including workforce fragility, estate condition and affordability. This strategic reset has been closely aligned with the Clinical Services Plan, supporting safer, more sustainable models of care in the medium term while longer-term transformation continues.

Board and committee effectiveness has been assessed through a range of internal and external sources, including committee self-assessment, escalation outcomes, Audit Wales findings and review against the Board Maturity Matrix. The Board demonstrates particular strength in governance principles, quality and safety oversight, risk management and transparency. Areas identified for further development, including delivery of agreed outcomes and effectiveness and added value, reflect the scale of system pressure and the early stage of embedding new operational and escalation arrangements. These areas are being actively addressed through Board development and governance improvement actions.

Insert para summarising Head of Internal Audit opinion

Looking ahead to 2026/27, the Health Board's priorities are clear. We need to progress towards financial sustainability, further improvement in urgent and emergency care and planned care performance, embedding streamlined operational governance, accountability and escalation arrangements, and demonstrating sustained delivery against strategic objectives to support further de-escalation.

As Accountable Officer, having considered the evidence presented throughout this report, including the Head of Internal Audit Opinion (TBC), the Audit Wales Structured Assessment and the Board's own assessment of effectiveness, **I am satisfied that the Health Board has sound systems of internal control in place however recognise we need to strengthen our system of internal control in the operational arm of the organisation.** These systems provide assurance that risks are identified, escalated and managed appropriately, and that resources are used for their intended purpose. While significant challenges remain, **there are no new material governance or internal control issues to report for 2025/26 beyond those already set out within this Accountability Report.**

Signed by:

Date: 25 June 2026

Professor Philip Kloer
Chief Executive Officer

Appendix 1 - Board and committee membership and the record of attendance for the period 1 April 2025 – 31 March 2026

Name	Position and area of representation	Board committee membership and record of attendance	Champion role
Dr Neil Wooding	Health Board Chair	Board (Chair) 8/9 RJC 4/4 RTSC (Chair) 5/6	Raising concerns (staff)
Eleanor Marks	Vice Chair (Mental health, learning disabilities, primary care and community services)	Board (Vice-Chair) 8/9 ARAC 6/7 DDIC 2/3 FPC 7/7 MHLC 2/4 PODCC (Chair) 3/3, PODCC (Vice-Chair) 1/1 QSEC (Chair) 1/1 QSEC (Vice-Chair) 7/7 SPC 1/1	Speaking up safely Carers Mental Health Duty of Quality and Duty of Candour (from 1 January 2026)
Cllr Rhodri Evans	Independent Member (Local authority)	Board 9/9 ARAC (Chair) 6/7 CFC 1/4 FPC 7/7 PODCC 4/4 QSEC (Vice-Chair from 1 January 2026) 1/1 RTSC (Vice-Chair) 6/6	Welsh Language
Anna Lewis (until 31 December 2026)	Independent Member (Community)	Board 4/5 FPC (Vice-Chair) 5/6 PODCC (Vice-Chair) 1/3 QSEC (Chair) 6/7 RTSC 2/4	Duty of Quality and Duty of Candour Speaking up safely
Chantal Patel	Independent Member (University)	Board 7/9 DDIC (Vice-Chair) 4/4 Ethics Panel (Chair) 7/8 MHLC (Chair) 3/4 QSEC 8/8 RJC 1/4 SPC 4/5 RTSC 1/1	Infection prevention and control Research and Innovation
Winston Weir	Independent Member (Finance)	Board 7/9 ARAC (Vice-Chair) 5/7 DDIC 2/4 FPC 7/7 SPC (Chair) 6/6	Equality
Maynard Davies	Independent Member (Information technology)	Board 8/9 ARAC 6/7 DDIC (Chair) 4/4	Older persons

		RJC 4/4 SPC (Vice-Chair) 5/6 RTSC 4/6	
Michael Imperato	Independent Member (Legal)	Board 9/9 FPC (Chair) 7/7 HSC 6/6 QSEC 7/8 SPC 6/6	Armed Forces and Veterans Putting Things Right
Iwan Thomas	Independent Member (Third sector)	Board 7/9 CFC (Chair) 4/4 HSC 3/6 MHLC (Vice-Chair) 3/4 SRG 1/4	
Ann Murphy	Independent Member (Trade union)	Board 9/9 CFC 4/4 HBPF 3/4 HSC (Chair) 6/6 MHLC 4/4 PODCC 4/4	
Sarah Harraway (from 6 May 2025)	Independent Member (Community)	Board 7/9 CFC (Vice-Chair) 4/4 DDIC 3/3 HSC (Vice-Chair) 5/5 PODCC 1/1 QSEC 4/5 RJC 4/4	Children and Young People
Neil Prior (from 1 January 2026)	Independent Member (Local Authority)	Board 3/3 FPC (Vice-Chair) 0/1 PODCC (Chair) 1/1 QSEC 1/1 SPC 1/1	
Michael Gray	Associate Member	Board 4/8	
Jeremy Hockridge (until 24 July 2025)	Associate Member	Board 0/3 SRG 1/3	
Tegryn Jones (from 10 March 2026)	Associate Member	Board 0/1 SRG 1/1	
Dr Jonathan Arthur	Associate Member/ HPF Chair	Board 1/6 HPF 5/6	
Professor Philip Kloer	Chief Executive Officer	Board 9/9 RJC 4/4 RTSC 6/6	
Lisa Gostling	Executive Director of Workforce and Organisational Development/ Deputy Chief Executive Officer	Board /9 HBPF 4/4 PODCC 4/4 RTSC 6/6	Raising concerns (staff) Speaking up safely
Mark Henwood	Executive Medical Director	Board 8/9 DDIC 2/4	Caldicott Guardian

		Ethics Panel 8/8 FPC* 1/7 PODCC 4/4 QSEC 6/8 RJC 2/4	
Huw Thomas	Executive Director of Finance	Board 9/9 ARAC 7/7 CFC 4/4 DDIC 4/4 FPC 7/7 HBPF 4/4 RJC 3/4 SPC 6/6	
Sharon Daniel	Executive Director of Nursing, Quality and Patient Experience	Board 9/9 CFC 4/4 FPC* 4/7 HSC 5/6 HBPF 4/4 PODCC 4/4 QSEC 8/8	Speaking up safely
James Severs	Executive Director of Allied Health Professions and Health Science	Board 9/9 CFC 4/4 FPC* 4/7 HBPF 2/4 HPF 3/6 HSC 6/6 PODCC 4/4 QSEC 8/8	Fire safety Violence and Aggression
Andrew Carruthers	Chief Operating Officer	Board 9/9 FPC 7/7 HBPF 4/4 HSC 5/6 MHLC 2/4 PODCC 4/4 QSEC 7/8 RJC 4/4 SPC 6/6	
Lee Davies	Executive Director of Strategy and Planning	Board 9/9 DDIC 4/4 HBPF 0/4 RJC 4/4 SPC 6/6	
Dr Ardiana Gjini	Executive Director of Public Health	Board 9/9 HSC 6/6 PODCC 4/4 QSEC 8/8 SPC 6/6 SRG 3/4	Children and Young People Emergency planning

Alwena Hughes-Moakes	Communications and Engagement Director	Board 8/9 PODCC 4/4 SPC 6/6 SRG 4/4	Welsh Language
Joanne Wilson	Director of Corporate Governance/Board Secretary	Board 9/9 ARAC 7/7 FPC** 7/7 HSC** 6/6 PODCC** 4/4 QSEC** 8/8 RJC** 4/4 RTSC** 6/6 SPC** 6/6	Counter fraud
Jill Paterson (until 30 November 2025)	Director of Primary Care, Community and Long-Term Care	Board 5/5 FPC 2/5 QSEC 4/6 SPC 3/4	

*Only one Clinical Executive Director is required to attend the meeting.

**The Director of Corporate Governance/Board Secretary is not listed as a member on the terms of reference however has attended these meetings for governance purposes.

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 2025/26, with all meetings being quorate:

Month	Board	Audit and Risk Assurance Committee	Charitable Funds Committee	Digital and Data Innovation Committee	Health and Safety Committee	Mental Health Legislation Committee	People Organisational Development and Culture Committee	Strategy and Planning Committee	Finance and Performance Committee	Quality Safety and Experience Committee	Remuneration and Terms of Service Committee
Apr25		15.04.25		22.04.25				24.04.25	29.04.25	08.04.25	02.04.25
May25	29.05.25	08.05.25 (E)			06.05.25		27.05.25				15.05.25 22.05.25
Jun25	26.06.25 (E)	24.06.25	17.06.25			05.06.25			26.06.25	10.06.25	
Jul25	31.07.25			22.07.25	03.07.25			01.07.25			
Aug25		12.08.25					19.08.25	28.08.25	26.08.25	14.08.25	26.08.25
Sep25	09.09.25 (I) 25.09.25		16.09.25		09.09.25	02.09.25			15.09.25 (E)	15.09.25 (E)	
Oct25		14.10.25		07.10.25				30.10.25	21.10.25	09.10.25	
Nov25	27.11.25				11.11.25		04.11.25			04.11.25 (E)	
Dec25		09.12.25	08.12.25			01.12.25		18.12.25	16.12.25*	04.12.25	03.12.25
Jan26	29.01.26			15.01.26	13.01.26			16.01.26 (E)			
Feb26	18.02.26 (E)	10.02.26					17.02.26	26.02.26	24.02.26*	12.02.26	05.02.26
Mar26	26.03.26		17.03.26		10.03.26	03.03.26					

(E) Extraordinary meetings

(I) Private meeting

Bold – Meetings that were not quorate

*Quorate for majority of the meeting

Appendix 3 - A summary of key items considered by committees in 2025/26

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, and reports on the following:
 - Structured assessment 2025
 - Tackling the planned care challenges
 - Review of urgent and emergency care – arrangements for managing demand
 - Urgent and emergency care: Flow out of hospital – West Wales region
 - Discharge planning progress update
 - Cancer Services in Wales: A review of the strategic approach to improving the timeliness of diagnosis and treatment y
 - Audit Fees Consultation 2026/27
- Post payment verification report
- Counter fraud (CF) reports including
 - NHS CF Authority SRT return
 - Annual review of requisitions
 - Annual report and forward workplan
 - Counter Fraud, Bribery and Corruption Policy Review
 - Right to Work Governance and Checks
 - National Fraud Initiative Briefing Note
- Annual accounts, accountability and remuneration reports for 2025/26
- Financial assurance reports including single tender actions, special losses and payments
- Review of summary of single tender actions
- Annual statement of financial procedures

- Immaterial over and underpayment of salaries report
- Internal and External Recommendations and Welsh Health Circular Tracking Assurance Report
- Risk assurance reports
- Risk management strategy and framework
- 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
- NHS Wales Shared Services Partnership's Construction Frameworks for Swansea Bay and Hywel Dda University Health Board

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
- Expenditure plan for the Support for Life Response Fund
- 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
- Update on the hydrotherapy pool at Pentre Awel: JC Williams (Elizabeth Williams Endowment) Trust Fund
- Development of therapeutic gardens at Prince Phillip Hospital
- Heads Up Initiative – Cancer Services Hair Loss Support
- Hywel Dda Arts Referral Pathway (HARP)
- Creative Activities for Staff Wellbeing – Arts in Health report
- Trainee Haematology Clinical Nurse Specialist for Ceredigion and Pembrokeshire report
- Interactive Singing and Movement Sessions for Older Adult Mental Health and Adult Frailty Inpatient Wards report

- Active Investor Statement Scheme
- Patient experience report - Bronglais FibroScan
- Bronglais Fibroscanner Funding Request
- Expenditure update on Paxman Scalp Cooling Units
- Opening of Leri Cancer Unit, Bronglais Hospital
- Funding requests from the Charity's Making a Difference Fund
- Annual review of expenditure eligibility criteria
- Allocation and level of cash holdings
- Hywel Dda Health Charities performance reports
- Charitable Funds annual accounts report for 2024/25
- 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](#)

Digital, Data and Innovation Committee

The Digital, Data and Innovation Committee was established from April 2025 to provide the Board with advice and assurance that the Health Board's digital, data, information governance, research and innovation activities are effectively directed, developed and delivered to support continuous improvement, digitally enabled care, and the Health Board's Annual Plan/IMTP. Its purpose is to ensure the quality, integrity, safety and appropriate use of information and data; robust information governance and cyber security; compliance with statutory and regulatory requirements; delivery of national and local digital systems; and the effective promotion, oversight and governance of research and innovation. The Committee also seeks assurance on aligned risks and planning objectives, scrutinises related business cases, promotes a strong information governance and security culture, and ensures that research, innovation and university partnership arrangements operate safely, effectively and in line with organisational duties.

Items considered during the year include:

- Terms of reference updates
- Annual report
- Planning objectives reports
- Digital operational plan
- Digital strategic plan
- Digital partner update
- Digital inclusion programme
- Policies for approval
- Assurance and risk reports (incorporating corporate and operational risks, Welsh Health Circulars and Ministerial Directions)
- Digital Context presentation
- Summary of progress against board approved business cases

- Patient services centre reports
- RISP – radiology informatics system programme
- LIMS – laboratory information management system
- Data quality report
- Current use of artificial intelligence report
- Proposal for the introduction of ambient artificial intelligence report
- Research and Innovation Sub-Committee updates
- Research and development annual framework update
- Research & development implementation of the NHS framework
- Research project update
- University partnerships arrangements update
- Tritech business plan and peer review
- Information Governance Sub-Committee updates
- Data protection impact assessment assurance report
- Information governance training update
- Update on impact of flow system report
- Assurance on governance arrangements
- Analytical and modelling work report
- Committee workplan updates
- Digital access report
- Deep dive – data quality
- Analytical and modelling work
- National and regional landscape
- Artificial intelligence and the Welsh language regulatory policy statement
- Digital innovation & transformation benefits realisation report 2024/25
- Digital leadership with allied health professionals and health scientists

Finance and Performance Committee (FPC)

The Finance and Performance Committee was established as from April 2025 and provides the Health Board with robust advice and assurance on the organisation's financial performance and overall delivery against plans and objectives. Its core purpose is to monitor financial governance, scrutinise in-year and medium-term financial plans, identify and respond to emerging performance or financial risks, and promote continuous improvement through detailed review of savings, opportunities, major investments, procurement activity, and key contracts. The Committee also oversees the development and delivery of performance frameworks, ensures alignment with national requirements and regulatory expectations, monitors risks within relevant risk registers, and supports the Board by offering early warning of deterioration, recommending corrective actions, and ensuring that financial and operational performance supports high-quality, sustainable patient care.

Items considered during the year:

- Review of committee terms of reference
- Self-assessment of committee effectiveness report and action plan

- Committee annual report
- Joint Commissioning Committee Planning, Performance and Finance Sub Committee reports
- Assurance and risk reports (incorporating corporate and operational risks, Welsh Health Circulars and Ministerial Directions)
- Planning objectives update reports
- Planning for 2026/7 report
- Financial update reports
- Financial deficit savings category update
- Investment and benefits realisation report
- Balance sheet report
- Public sector emissions reporting
- Finance and performance policies and procedures
- Targeted intervention – external and internal escalation
- Escalation reports
- Urgent and emergency care transformation business case
- 7 Day clinical streaming and SDEC business case
- All Wales capital programme 2025/26
- NWSSP performance reports
- Thematic reviews of finance and performance
- Discharge to assess report
- GIRFT reports – ophthalmology,
- Audit Wales cost savings arrangements report
- Integrated performance assurance report
- Deep dives
 - Commissioned care
- Three year financial plan and strategy
- Savings and investment report
- Procurement plan and update reports
- Escalation response – recovery action plans and improvement trajectory reports

Agendas and papers are available on the following link: [Finance and Performance Committee \(FPC\) - 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
- Assurance and risk reports (incorporating corporate and operational risks, Welsh Health Circulars and Ministerial Directions)
- Health and Safety related policies and procedures for approval
- Health and safety dashboard and compliance update reports
- Health and safety governance arrangements review and updates
- Security management updates
- Fire management updates
- Health and safety, security and fire safety training updates
- Fire safety audit system (Boris) update reports
- RAAC update reports
- RIDDOR: Six-monthly updates, process review and all Wales report
- PREVENT and CONTEST
- Major Incident Annual Plan: 2025/26
- Management of actions for health and safety inspections
- Health and safety site audit process report
- Site visit report
- Electrical infrastructure risks report
- Estates condition report
- Heavy patient compliance reports
- Stress in the workplace
- Trade union health and safety group update
- Counterterrorism assessment report
- Proposed Health & Safety Governance Arrangements

During the year, the Health Board strengthened its operational health and safety governance arrangements to address gaps, inconsistencies and duplication in reporting. As a result of this review, HSC approved the disestablishment of the Health and Safety Sub-Committee. The effectiveness of these arrangements will be subject to further review in 2026/27.

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 and annual report)
- Patient stories
- Policies and procedures for approval
- Mental Health Act reports
- Mental Health (Wales) Measure 2010 reports
- HIW MHA inspection reports and action plans
 - Assurance and risk reports (incorporating corporate and operational risks, Welsh Health Circulars and Ministerial Directions)
- 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 and procedure reports
- Section 12 (2) doctors pay review

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)
- Staff stories on a variety of topics
- Assurance and risk reports (incorporating corporate and operational risks, Welsh Health Circulars and Ministerial Directions)
- Corporate and employment policies for approval
- Targeted Intervention progress report
- Annual carers report
- Workforce efficiency report
- Employment law reports
- Employee relations report
- Equality, Diversity and Inclusion updates and Taskforce reports
- Agile Working Plan
- More Than Words Report
- Social Partnership Duty Annual Report
- Whistleblowing in Hywel Dda update
- Clinical Care Groups Organisational Restructure report
- Glangwili Theatre Sickness and Culture report
- Employee Relations update report
- New Workforce Solution report
- Community nursing annual report/ community staffing update
- Speak up safely reports
- Medical workforce performance and mandatory training compliance report
- Child protection arrangements report
- Staff Partnership Forum updates
- Trade union update
- Staff survey results report
- Welsh Language annual report and updates
- 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)
- Infection Prevention Strategic Steering Group update report
- Strategic Safeguarding Steering Group update report
- Patient/staff stories
- Assurance and risk reports (incorporating corporate and operational risks, Welsh Health Circulars and Ministerial Directions)
- Policies for approval
- Targeted Intervention progress report
- Clinical audit programme
- 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
- Duty of Quality and Candour Annual Report 2024
- Nurse Staffing Levels (Wales) Act:
 - Assurance reports
 - Annual report 2024/25 and spring calculation cycle
 - Nurse staffing levels impact of reduction of agency and bank Staff on quality, safety and patient experience annual report
- Unscheduled emergency care deep dive report
- Primary care quality and safety and experience deep dive report
- Clinical services plan deep dive reports into current service fragility:
 - Radiology deep dive report
 - Urology deep dive report
 - Dermatology deep dive report
 - Endoscopy deep dive report
 - Orthopaedics deep dive report
 - Ophthalmology deep dive report
 - Emergency General Surgery deep dive report
 - Critical Care deep dive report
 - Stroke Services deep dive report
- Mental health and learning disabilities deep dive
- Women's health hub update
- S136 suite – mental health and learning disabilities report
- Epilepsy in learning disabilities services
- Cadog ward frailty unit nurse staffing presentation
- Waiting list support and management
- Sonography report
- Auditor General Report on cancer services
- Infection prevention and control in the community
- Quality Improvement Strategic Framework 2023-2026 update
- Planned care review – impact of long waits
- Caspe Health Knowledge Systems (CHKS) report
- Minor Injuries Unit – Prince Philip Hospital update
- Cleanliness Standards Internal Audit report and action plan
- Occupational therapies paediatric improvement action plan
- Equity impact assessment tool
- Fuller Inquiry report
- First Contact Physiotherapist report

- Patient experience by demographic report
- Getting It Right First Time (GIRFT) reports
- Clinical care group updates
- HIW annual report
- JCC Quality Safety Outcomes Sub-Committee report
- Patient experience framework reports

Agendas and papers are available on the following link: [Quality, Safety and Experience Committee \(QSEC\) - Hywel Dda University Health Board](#)

Strategy and Planning Committee (SPC)

The Strategy and Planning Committee was established as from 1 April 2025. The Committee exists to provide evidence-based and timely advice to the Health Board on the development of key strategic matters, ensuring alignment with the organisation's overall direction. Its aims include shaping strategies, strategic frameworks, business cases and service planning proposals; overseeing the alignment of enabling strategies such as workforce, estates, capital and digital; and considering the implications of wider regional and partnership strategies. The Committee also advises on priorities relating to population health, prevention, wellbeing, and the organisation's approach to climate mitigation and adaptation.

In addition to advising, the Committee's objective is to provide assurance to the Board on whether strategic aims and priorities are being achieved. It scrutinises the robustness of planning processes, engagement and communication, environmental sustainability, partnership governance, and delivery of the Annual Plan/IMTP. It also assures the effectiveness of plans developed with partners, delivery of joint committee work, value-based healthcare, population health initiatives, estates planning, capital planning, and climate-related activities. Overall, it ensures strategic plans are evidence-based, aligned, well-governed and achieving their intended outcomes.

Items considered during the year:

- 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, workplan and annual report)
- Assurance and risk reports (incorporating corporate and operational risks, Welsh Health Circulars and Ministerial Directions)
- Corporate policies
- Annual plan and planning objective reports (including end of year closure report)
- Targeted intervention and annual plan updates
- Clinical services plan updates
- Planning maturity matrix
- Pharmaceutical needs assessment reports
- Mid Wales Joint Committee report
- Regional Joint Committee and Regional Collaboration for Health (ARCH) report
- Strategic commissioning reports

- Partnership governance assurance reports
- Value based healthcare updates
- Climate migration and adaptation plan
- *'A Healthier Mid and West Wales – Healthier lives, well lived'* update reports and Strategy refresh
- Well-being and Future Generations Act (WCFG) annual report
- Review of clinical pharmacy services at NHS Hospitals in Wales report
- Vaccination programme reports
- Planning in Partnership – Regional Integration Fund update
- Capital business cases
- Prince Philip Hospital solar project
- Sustainability report
- Estate condition and performance update
- Starting and developing well team (public health) impact and learning report
- Early years report
- Update on major planning schemes
- Targeted estates fund projects
- Joint Commissioning Committee planning, performance and finance sub-committee reports
- Regional Joint Committee update reports
- Pharmaceutical needs assessment review
- Cluster update report capital programme reports
- WGH fire prevention (phase 2) business justification case
- *'A Healthier Mid and West Wales – Healthier lives, well lived'* Programme business case addendum
- GGH Front Door – opportunities for patient flow
- Deep dive reports
 - Primary care and community strategic plan

Agendas and papers are available on the following link: [Strategy and Planning Committee \(SPC\) - 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 was enacted in this financial year.
2023. No.27 - The Primary Care (E-Prescribing Pilot Scheme) Directions 2023	June 2023	This Ministerial Direction was confirmed as enacted in April 2025.
2023. No.08 - Local health boards and NHS Trusts reporting on the introduction of new medicines into the National Health Service in Wales Directions 2023	July 2023	This Ministerial Direction is currently being implemented and aligned with Welsh Health Circular 032-22 relating to the extension of the Blueteq system in secondary care. There is a delay in the implementation of this Ministerial Direction nationally, with discussions continuing to resolve and progress. Implementation is planned for March 2027.
2025. No.17 - Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 2) Directions 2025	April 2025	This Ministerial Direction has been enacted.
2025. No.27 - The Primary Medical Services (Intra/Periarticular Injection) (Directed Supplementary Services) (Wales) Directions 2025	May 2025	This Ministerial Direction has been enacted.
2025. No.28 - The Primary Medical Services (Minor Surgery) (Directed Supplementary Services) (Wales) Directions 2025	May 2025	This Ministerial Direction has been enacted.
2025. No.30 - The Primary Care (Contracted Services: Immunisations)(Influenza) Directions 2025	May 2025	This Ministerial Direction has been enacted.
2025. No.33 - Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 3) Directions 2025	June 2025	This Ministerial Direction has been enacted.

2025. No.38 - Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 4) Directions 2025	July 2025	This Ministerial Direction has been enacted.
2025. No.39 - Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 5) Directions 2025	August 2025	This Ministerial Direction has been enacted.
2025. No.40 - The Primary Medical Services (Type 2 Diabetes Mellitus Care Scheme for Adults) (Directed Supplementary Service) (Wales) (Amendment) Directions 2025	August 2025	This Ministerial Direction has been enacted.
2025. No.44 - The Directions to Local Health Boards as to the General Dental Services Statement of Financial Entitlements (Wales) (Amendment) (No.4) Directions 2025	September 2025	This Ministerial Direction has been enacted.
2025. No.45 - The Directions to Local Health Boards as to the Personal Dental Services Statement of Financial Entitlements (Wales) (Amendment) (No.4) Directions 2025	September 2025	This Ministerial Direction has been enacted.
2025. No.56 - The Primary Medical Services (People Living with Severe Frailty in their own Homes) (Directed Supplementary Service) (Wales) Directions 2025	September 2025	This Ministerial Direction has been enacted.
2025. No.72 - The Primary Care (Contracted Services: Outpatients Waiting Lists First Appointment Scheme) Directions 2025	October 2025	This Ministerial Direction has been enacted.
2025. Statement of General Ophthalmic Services Remuneration and Fee Directions	November 2025	This Ministerial Direction has been enacted.
2025. No.84 - Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 6) Directions 2025	December 2025	This Ministerial Direction has been enacted.

2025. No.85 - Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) Directions 2026	December 2025	This Ministerial Direction has been enacted.
2025. No.88 - Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 7) Directions 2025	December 2025	This Ministerial Direction has been enacted.
2025. No. 91 - The Directions to Local Health Boards as to the General Dental Services Statement of Financial Entitlements (Wales) (Amendment) (No. 5) Directions 2025	December 2025	This Ministerial Direction has been enacted.
2025. No.92 - The Directions to Local Health Boards as to the Personal Dental Services Statement of Financial Entitlements (Wales) (Amendment) (No. 5) Directions 2025	December 2025	This Ministerial Direction has been enacted.
2026. No.4 - Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 2) Directions 2026	January 2026	This Ministerial Direction has been enacted.
2026. No.18 - The Primary Care (Contracted Services: Immunisations) (RSV) (Wales) Directions 2026	February 2026	This Ministerial Direction has been enacted.
2026. No. 47 - Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 3) Directions 2026	March 2026	This Ministerial Direction has been enacted.
2026. No. 58 - The Primary Medical Services (People Living with Severe Frailty in their own Homes) (Directed Supplementary Service) (Wales) (Amendment) Directions 2026	March 2026	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 provision of the Regulations and in accordance with Ministerial instructions;
- consideration and ratification of voluntary early release (VER) scheme applications and redundancy/severance payments in respect of executive director/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;
- the approval of any strategic advisor arrangements, including scope and pay; and
- The approval of the Health Board’s honours submission recommendations.

The membership of the RTSC during 2025/26 was as follows:

Name	Position	Role on RTSC
Neil Wooding	Chair	Chair
Rhodri Evans	Independent Member and Chair of ARAC	Vice-Chair
Anna Lewis	Independent Member until 31 December 2025	Member
Maynard Davies	Independent Member	Member
Chantal Patel	Independent Member from 01 January 2026	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 are discussed and agreed by the Committee in advance and where appropriate the Welsh Government's approval would be made. Details of termination payments made in 2025/26 are disclosed below under Single total figure of remuneration. No termination payments were made during the prior year 2024/25.

Service contract details for senior managers:

Name	Current Position	Date of Contract	Date of Expiration	Compensation for early termination
Philip Kloer	Chief Executive Officer	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	Executive Medical Director**	22/05/2025	N/A	N/A

Sharon Daniel	Executive Director of Nursing, Quality and Patient Experience	01/04/2025	N/A	N/A
Ardiana Gjini	Executive Director of Public Health	01/07/2023	N/A	N/A
James Severs	Executive Director of Allied Health Professions 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 Strategy and 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	30/11/2025	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.

**Mark Henwood was made substantive Medical Director on 22 May 2025 after undertaking the role on an interim basis since 5 February 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 benefits accrued during the year is calculated as the real increase in pension multiplied by 20, plus, the real increase in any lump sum, less, the contributions made by the individual. The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights.

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.

2025/26

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	145-150	145-150	0	1.3	3	150-155
Lisa Gostling	170-175	170-175	0	0	0	170-175
Phil Kloer	235-240	235-240	0	0	48	280-285
Andrew Carruthers	145-150	145-150	0	1.6	15	165-170
Huw Thomas	160-165	160-165	0	1.8	27	185-190
Jill Paterson (to 30/11/2025)	140-145	260-265	0	1.1	7	270-275
Joanne Wilson	140-145	140-145	0	0	21	160-165
Alwena Hughes-Moakes	115-120	115-120	0	0	31	145-150
Ardiana Gjini	140-145	140-145	0	0.3	25	165-170
James Severs	140-145	140-145	0	4.3	27	170-175
Mark Henwood	215-220	215-220	0	2.1	-	220-225
Sharon Daniel	160-165	160-165	0	0	15	175-180
Non-Officer Members						
Anna Lewis	10-15	10-15	0	0.3	0	10-15
Maynard Davies	10-15	10-15	0	1.0	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	1.1	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	1.4	0	10-15
Eleanor Marks	45-50	45-50	0	0.9	0	45-50
Neil Wooding	60-65	60-65	0	2.9	0	60-65
Neil Prior (from 01/01/2026)	10-15	0-5	0	0	0	0-5

Sarah Harraway (from 06/05/2025)	10-15	10-15	0	0.9	0	10-15
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Jill Paterson ceased substantive employment with the Health Board on 30 November 2025 under the NHS Wales Voluntary Early Release (VER) Scheme. Ms Paterson's salary for the reporting year consists of £95-100k in respect of duties as Director of Primary Care, Community and Long-Term Care, £0-5k in respect of non-managerial duties and a severance payment of £170-175k broken down into the following components:

- A compensatory payment under the VER scheme of £105-110k, equivalent to 9 months' salary based on an annual salary of £140-145k.
- A payment in lieu of contractual notice of £35-40k, equivalent to 3 months' salary based on an annual salary of £140-145k.
- A payment of £25-30k in lieu of 48.5 days of accrued annual leave.

Amounts forming part of Jill Paterson's severance package have been omitted from the calculation of Full Year Equivalent Salary in the single total figure of remuneration table.

Mark Henwood's salary for the reporting year consists of £180-185k in respect of duties as Executive Medical Director and £30-35k in respect of non-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 non-managerial duties.

The following individuals 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. Salaries within the single total figure of remuneration table are stated after adjustment for salary sacrifice. The gross salaries of the participating employees before salary sacrifice adjustments (in bands of £5,000) are as follows:

- Lee Davies £155-160k
- Lisa Gostling £170-175k
- Andrew Carruthers £160-165k
- Huw Thomas £170-175k
- Jill Paterson (to 30/11/2025): £100-105k (excluding severance payment of £170-175k)
- Mark Henwood £225-230k

The benefits-in-kind which arose to Lee Davies, Andrew Carruthers, Huw Thomas, Jill Paterson and Mark Henwood arose in respect of their participation in the above-mentioned salary sacrifice employee benefit schemes.

The benefits-in-kind which arose to Ardiana Gjini and James Severs related to the taxable reimbursement of relocation travel expenses in accordance with the Health Board's Relocation Expenses Policy, which applies to all employees.

The benefits-in-kind which arose to independent members related to the taxable reimbursement of travel expenses.

Pension benefits arising in the reporting year, as per the single total figure of remuneration table, do not take into account the impact of a backdated senior management pay award that was announced in February 2026. Accordingly, pension benefits arising in the reporting year are likely to be higher than reported in the table above. Further information is provided in the notes to the Pension benefits disclosure table.

Lisa Gostling's pension was subject to a partial retirement adjustment during 2025/26.

Mark Henwood did not participate in the NHS Pension Scheme in 2024/25. Due to there being insufficient information available regarding the position of Mr Henwood's pension at 1 April 2025, the value of the pension benefits which arose to Mr Henwood during 2025/26 for the purpose of the single total figure of remuneration table cannot be calculated reliably and has been omitted from the table.

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	145-150	145-150	0	0.9	71	220-225
Lisa Gostling	165-170	165-170	0	2.2	171	340-345
Phil Kloer	225-230	225-230	0	0	243	470-475
Andrew Carruthers	145-150	145-150	0	1.1	75	220-225
Huw Thomas	155-160	155-160	0	1.1	62	215-220
Jill Paterson	130-135	130-135	0	1.2	36	170-175
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	220-225	220-225	0	1.4	-	225-230
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 single total figure of remuneration table for 2024/25 has been restated to take into account adjustments for salary sacrifices in salary figures and to include the taxable benefits-in-kind arising to participants of salary sacrifice schemes.

The full year equivalent salary for Mark Henwood consists of £180-185k in respect of duties as Interim Executive Medical Director and £40-45k in respect of non-managerial 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 non-managerial duties.

The taxable benefits-in-kind arising to Lee Davies, Lisa Gostling, Andrew Carruthers, Huw Thomas, Jill Paterson and Mark Henwood arose from their participation 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. Salaries within the single total figure of remuneration table are stated after adjustment for salary sacrifice. The gross salaries of the participating employees before salary sacrifice adjustments (in bands of £5,000) are as follows:

- Lee Davies £150-155k
- Lisa Gostling £165-170k
- Andrew Carruthers £155-160k
- Huw Thomas £165-170k
- Jill Paterson £140-145k
- Mark Henwood £190-195k

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.

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 2025/26 financial year is the fifth 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 2025/26 was £235,000 - £240,000 (2024/25: £225,000 - £230,000). This was eight times (2024/25: seven times) the median remuneration of the workforce, which was £30,615 (2024/25: £32,002).

In 2025/26, 40 (2024/25:39) employees received remuneration in excess of the highest paid director. Remuneration for staff ranged from £24,833 to £413,171 (2024/25: £23,970 to £353,573). 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.

	2025/26	2024/25
Band of highest paid director's total remuneration £000	235-240	225 - 230
Median total remuneration £000	31	32
Median ratio	7.68:1	7.13:1
25th percentile pay £000	20	24
25th percentile pay ratio	11.90:1	9.50:1
75th percentile pay £000	44	47
75th percentile pay ratio	5.41:1	4.85:1

The percentage change in the remuneration of the highest paid director was 4% (2024/25: 2%) and the percentage change in the remuneration of the employees of the organisation taken as a whole was a decrease of 3% (2024/25: 11%).

* 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	Accrued pension at pension age at 31 March 2026	Lump sum at pension age related to accrued pension at 31 March 2026	Real increase in pension at pension age	Real increase in pension lump sum at pension aged	Cash Equivalent Transfer Value at 31 March 2026	Cash Equivalent Transfer Value at 31 March 2025	Real increase in Cash Equivalent Transfer Value
	(bands of £5,000)	(bands of £5,000)	(bands of £2,500)	(bands of £2,500)			
	£000	£000	£000	£000	£000	£000	£000
Lee Davies	45-50	100-105	0-2.5	0	868	836	0
Lisa Gostling	25-30	40-45	0	0	550	1,647	0
Phil Kloer	90-95	220-225	2.5-5	0	2,058	1,937	59
Andrew Carruthers	45-50	110-115	0-2.5	0	953	906	12
Huw Thomas	40-45	5-10	0-2.5	0	595	549	16
Jill Paterson (to 30/11/2025)	-	-	-	-	-	0	-
Joanne Wilson	45-50	100-105	0-2.5	0	905	854	19
Alwena Hughes-Moakes	5-10	0	0-2.5	0	128	93	19
Ardiana Gjini	35-40	80-85	0-2.5	0	825	769	25
James Severs	30-35	0	0-2.5	0	420	384	12
Mark Henwood	80-85	100-105	-	-	1,539	-	-
Sharon Daniel	70-75	190-195	0-2.5	0	1,801	1,722	30

The values of senior manager pensions, as disclosed in the Pension benefits table, are based on calculated estimates provided by the NHS Business Services Authority prior to the end of the reporting year. The values of pensions on 31 March 2026 as per the table above were estimated prior to the impact of a backdated senior management pay award that was announced in February 2026. Accordingly, the values of senior manager pensions on 31 March 2026, along with the real increases in pension values during the reporting year, are likely to be higher than what is reported in the table above.

A Cash Equivalent Transfer Value (CETV) is not available in respect of pension scheme members over normal pension age.

Lisa Gostling took pension benefits on 01/12/2025 as part of a partial retirement adjustment.

Jill Paterson ceased substantive employment with the Health Board during the reporting year.

Mark Henwood rejoined the NHS Pension Scheme during the reporting year. Details of the position of Mr Henwood's pension on 31 March 2025 are not available, therefore, it is not possible to calculate the real increases in the value of Mr Henwood's pension during the reporting year. Accordingly, these values have been omitted from the table.

11.6.2 Staff Report

• Staff numbers

As of 31 March 2026, the Health Board employed 13,261 staff including bank and locum staff; this equated to 10,623.59 full time equivalent (FTE). The numbers (headcount) of female and male Board members and employees are as follows:

	Female	Male	Total
Board Members*	9	13	22
Employees	10,478	2,761	13,239
Total	10,487	2,774	13,261

*Included in the Board Members figures are two 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	5.00	5	6.00	6	11.00	11
Chair & Independent Members	3.20	4	7.00	7	10.20	11
Total	8.20	9	13.00	13	21.20	22

Staff composition as at 31 March 2026

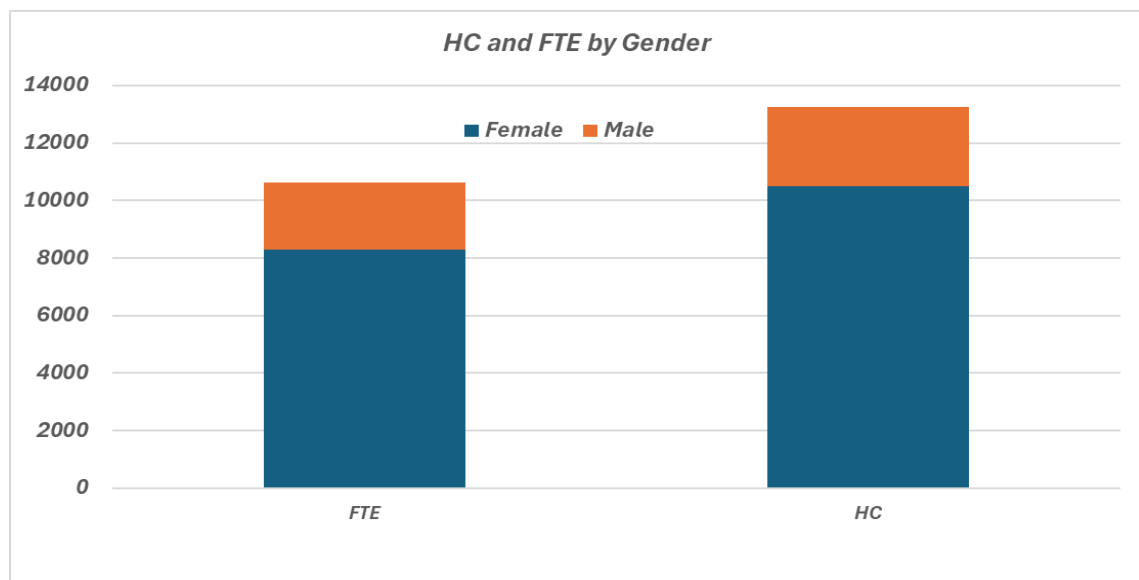
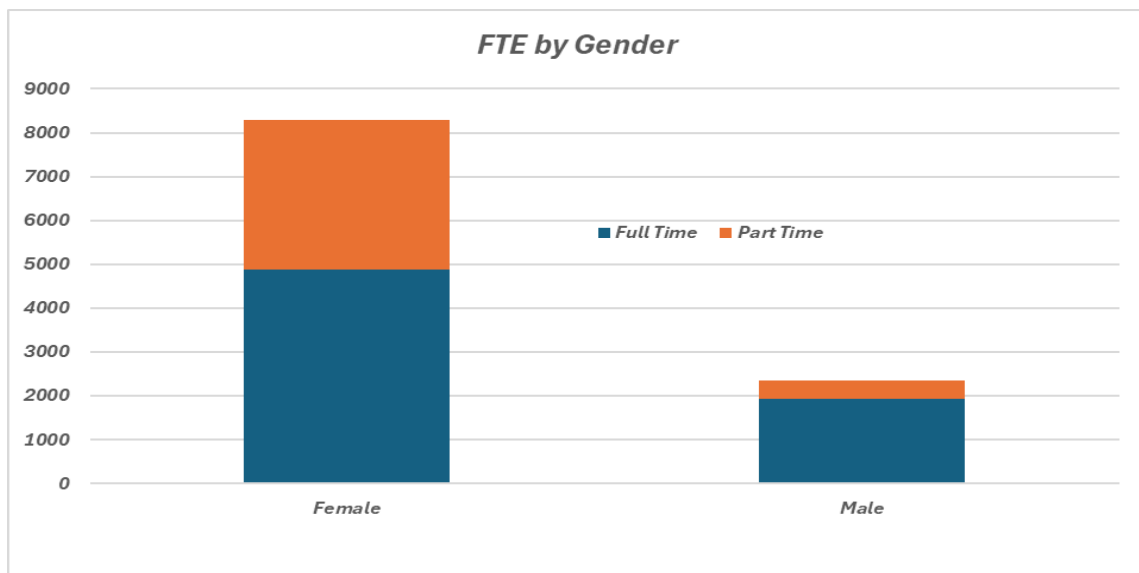
	Female		Male		Total	
	FTE	Head count	FTE	Head count	FTE	Head count
Add Prof Scientific and Technic	289.51	337	81.21	90	370.72	427
Additional Clinical Services	1,794.60	2,499	399.88	493	2,194.48	2,992
Administrative and Clerical	1,740.24	2,012	429.89	452	2,170.13	2,464
Allied Health Professionals	581.74	687	176.85	196	758.60	883
Estates and Ancillary	374.33	605	421.90	538	796.23	1,143
Healthcare Scientists	109.16	120	93.73	104	202.89	224
Medical and Dental	265.65	345	455.27	584	720.92	929
Nursing and Midwifery Registered	3,132.15	3,882	277.47	317	3,409.62	4,199
Total	8,287.38	10,487	2336.21	2774	10,623.59	13,261

At the end of March 2026, the Health Board employed 13,261 staff including bank and locum staff; this equated to 10,623.59 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 managers (administrative and clerical Band 8a and above) were 1.94% of the workforce by headcount – 61.5% of these by FTE were female and 38.5% 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	70.15	71	40.37	41	110.53	112
Band 8b	48.35	49	19.25	20	67.61	69
Band 8c	17.15	19	21.40	22	38.55	41
Band 8d	11.90	12	5.21	6	17.11	18
Band 9	7.00	7	9.60	10	16.60	17
Total	154.56	158	95.84	99	250.40	257

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:

	2025/26	2024/25
Days lost (long term)	182,785.86	173,580.94
Days lost (short term)	72,918.19	77,689.29
Total days lost	255,704.05	251,270.23
Total Staff Years as of 31 March	10,493.94	10,423.72
Average Working Days Lost	15.23	15.07
Total Staff employed as of 31 March (headcount)	13,263	13,359
Total Staff employed in period with no absence (headcount)	4,876	3,513
Percentage of staff with no sick leave	36.72%	29.12%

As per the NHS Performance Framework 2025-26, the Health Board sickness absence target is a reduction on the 2024/25 outturn of 6.60%. Although figures were indicative of a monthly downward trend for absences in February and March the end of year performance is marginally above the target rate with a rolling absence rate from April 2025 - March 2026 of 6.36%.

Absence rates attributed to anxiety, stress and depression continue to be the highest reason for absences across the Health Board at an average of 33.9% across the year, with absences attributed to Gastrointestinal problems as the second highest reason at 8.4%. Work is ongoing to ensure managers identify on ESR where work related stress is the specific reason for absence so better data and analysis can be captured in this regard and stress risk assessments actioned accordingly.

Ongoing focused support from the Workforce teams continues in collaboration with senior managers with a focus on hot spots across all clinical care groups with designated action plans devised for managers/CCGs to support the reduction of sickness absence.

Designated support from Workforce continues to be utilised to help address sickness absence aligned to employee relations matters.

- **Staff policies**

The operational workforce team review 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, values and promote widespread engagement in both the review of existing and the formulation of new policies.

During 2025/26, 20 local policy reviews were completed:

- o Eleven were reviewed and approved
- o Seven were extended into the next financial year
- o Two were removed

Work has continued with regards to the development and review of All-Wales policies:

- 1412 - All Wales Procedure for the Recovery of Overpayments adopted in August 2025
- 1433 - NHS Wales Anti-Sexual Harassment Policy adopted in November 2025

Key employee relations policies more recently reviewed on an All-Wales basis include Managing Attendance at Work, and Disciplinary and Capability (renamed Improving Performance at Work) policies.

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.

- **Trade union relationships**

In line with the Social Partnership Duty legislation which came into effect on 1 April 2024, we continue to work collaboratively with our trade union colleagues and continue to build on the good work undertaken over recent years. We are committed to building on this relationship through constructive dialogue, transparency and joint problem solving.

We have separated out strategic and operational discussions with our trade union colleagues 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 continue to build 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.

Working in collaboration with our trade union colleagues is critically important during organisational change projects, and we will strive to ensure that they are involved at an early stage to provide input, share workforce perspective and contribute to the shaping of proposals before decisions are finalised.

The Health Board submits a report to Welsh Government annually which is available [to read here on the Health Boards website](#).

- **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 £242,290 (2024/25: £72,446) on consultancy services as follows:

Transforming clinical services	£214,367
Other service reviews/advice	£27,923

Expenditure on temporary staff during 2025/26 amounted to £10,396,551 (2024/25: £12,320,179), including £4,244,519 (2024/25: £11,069,567) 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 2026, earning £245 per day or greater.

Number (No.) of existing engagements as of 31 March 2026	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 2026, earning £245 per day or greater

No. of temporary off-payroll workers engaged during the year ended 31 March 2026	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 2025 and 31 March 2026

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 were no costs associated with redundancy in the year (2024/25: £Nil). Other departure costs have been paid in accordance with the provisions of the NHS voluntary early release scheme (VERS). Exit costs of £170,357 were paid in 2025/26 in relation to settlement claims, the year of departure (2024/25: £Nil). 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:

	2025/26	2025/26	2025/26	2025/26	2024/25
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	0
£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		11	0	0
more than £200,000	0	0	0	0	0
Total	0		11	0	

	2025/26	2025/26	2025/26	2025/26	2025/26
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	
0£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	170,357	170,357	0	0
more than £200,000	0	0	0	0	0
Total	0	170,357	170,357	0	

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 2025/26. 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 £112m which it has incurred in excess of its resource limit over that three-year period is deemed to be irregular, as is the 2025/26 expenditure in excess of its resource limit, which amounted to £22m. 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 2026:

	2025/26	2024/25
	£000s	£000s
Guarantees	0	0
Indemnities*	262	1,412
Letters of Comfort	0	0
Total	262	1,412

* 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

TO BE ADDED WHEN RECEIVED

11.9 Report of the Auditor General to the Senedd

TO BE ADDED WHEN RECEIVED