

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

DYDDIAD Y CYFARFOD: DATE OF MEETING:	08 May 2025
TEITL YR ADRODDIAD: TITLE OF REPORT:	Draft Accountability Report 2024-25
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 is required to provide an Accountability Report as part of its Annual Report and Accounts for 2024-25. 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 (FRoM).

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 2024-25 reporting period the deadlines for submission are:

Submit Draft Financial Statements	Friday 2 May 2025
Audit and Risk Assurance Committee (to review DRAFT financial statements and Draft Accountability Report)	9.30am, Thursday 8 May 2025
Submit draft Performance Report Overview, Accountability Report (including the Annual Governance Statement), and Draft Remuneration Report	Friday 9 May 2025
Audit and Risk Assurance Committee (to approve above FINAL Financial Statements, Accountability Report and Performance Report)	9.30am, Tuesday 24 June 2025
Board Meeting in Public (to approve FINAL Annual Report, Annual Accounts, Accountability Report and Performance Report)	2.00pm, Thursday 26 June 2025
Submit final Annual Report and Accounts as a single unified PDF document	Monday 30 July 2025
Annual General Meeting	Thursday, 25 September 2025

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.

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 **23 May 2025**, 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 independent assurances, prior to endorsement by the Board;
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol:	Not applicable

Datix Risk Register Reference and Score:	
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:	Within 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 (if yes, please supply copy, if no please state reason) Has a full EqIA been undertaken? No



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Bwrdd Iechyd Prifysgol
Hywel Dda
University Health Board

Part 2: Governing what we do

2024/2025



11. Accountability Report

The purpose of the accountability section of the Annual Report is to provide an overview of the governance, arrangements and structures that were in place across the Health Board during 2024-25. It includes:

- **The Corporate Governance Report:** This report explains the composition and organisation of the Health Board and its governance structures and how they support the achievement of the Health Board's objectives. The Corporate Governance Report itself is in three main parts; the Directors' Report, the Statement of Accounting Officer's Responsibilities, and the Governance Statement.
- **The Remuneration and Staff Report:** The Remuneration and Staff Report contains information about senior managers' remuneration. It details salaries and other payments, the Health Board's policy on senior managers' remuneration, and whether there were any exit payments or other significant awards to current or former senior managers. In addition, the Remuneration and Staff Report sets out the membership of the Health Board's Remuneration and Terms of Service Committee, and staff information with regards to numbers, composition, and sickness absence, together with expenditure on consultancy and off payroll expenditure.
- **Senedd Cymru/Welsh Parliament Accountability and Audit Report:** The Senedd Cymru/Welsh Parliament Accountability and Audit Report provides information on such matters as regularity of expenditure, fees and charges, and the audit certificate and report.

11.1 Corporate Governance Report

11.1.1 Introduction

The Corporate Governance Report provides an overview of the governance arrangements and structures that were in place across the Health Board during 2024/25. It includes:

- **The Directors' Report:** This provides details of the Board who have responsibility for directing and controlling the major activities of the Health Board during the year. Some of the information which would normally be shown here is provided in other parts of the Annual Report and Accounts and this is highlighted where applicable.
- **The Statement of Accounting Officer's Responsibilities and Statement of Directors' Responsibilities:** This requires the Accountable Officer, Chair and Executive Director of Finance to confirm their responsibilities in preparing the financial statements and that the Annual Report and Accounts is fair, balanced, and understandable.
- **The Governance Statement:** This is the main document in the Corporate Governance Report. It explains the governance arrangements and structures within the Health Board and brings together how the organisation manages governance, risk and control.

11.2 Directors' Report

11.2.1 The composition of the Board and membership

The Directors' Report provides details about the Health Board, its independent members and executive directors, the structure of the Board and components of its governance and risk management structure. The Board is made up of 11 independent members (who are appointed by the Cabinet Secretary for Health and Social Services through the public appointments process) and nine executive directors who are employees of the Health Board. All independent members and executive director members have full voting rights.

In addition, there are two associate members who have been appointed by the Cabinet Secretary for Health and Social Care following a recommendation from the Health Board in accordance with standing orders. Associate members have no voting rights. There are also three directors, who form part of the Executive Team and the Board but who have no voting rights.

Our Board members as at 31 March 2025:



Dr Neil Wooding
Chair
(voting)



Professor Phil Kloer
Chief Executive
(voting)



Eleanor Marks
Vice Chair
(voting)



Lisa Gostling
Executive Director of Workforce and Organisational Development and Deputy Chief Executive
(voting)



Rhodri Evans
Independent Member (Local Authority)
(voting)



Andrew Carruthers
Chief Operating Officer
(voting)



Winston Weir
Independent Member (Finance Specialist)
(voting)



Huw Thomas
Executive Director of Finance
(voting)



Maynard Davies
**Independent Member
(Information
Technology)**
(voting)



Sharon Daniel
**Interim Executive Director
of Nursing, Quality and
Patient Experience**
(voting)



Michael Imperato
**Independent Member
(Legal)**
(voting)



Mark Henwood
**Interim Executive Medical
Director**
(voting)



Anna Lewis
**Independent Member
(Community)**
(voting)



James Severs
**Executive Director of
Allied Health Professions
and Health Sciences**
(voting)



Ann Murphy
**Independent Member
(Trade Union)**
(voting)



Lee Davies
**Executive Director of
Strategy and Planning**
(voting)



Chantal Patel
**Independent Member
(University)**
(voting)



Dr Ardiana Gjini
**Executive Director of
Public Health**
(voting)



Delyth Raynsford
**Independent Member
(Community)**
(voting)



Jill Paterson
**Director of Primary Care,
Community and Long
Term Care**
(non-voting)



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



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



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



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



Jeremy Hockridge
**Associate Member
Chair of Stakeholder
Reference Panel**
(non-voting)

Further details of Board members for 2024-25 are detailed in [Appendix 1](#) of our Governance Statement. This will include Board and committee membership for 2024-25, the meetings attended during the year and the champion roles fulfilled by Board members. In addition, short biographies of all Board members can be found on the Health Board's website at:

<https://hduhb.nhs.wales/about-us/your-health-board/board-members/>

Changes to the composition of the Board throughout 2024-25 are outlined below:

- Judith Hardisty, Interim Chair, left the Health Board on 31 May 2024
- Dr Neil Wooding, took up position as Chair on 1 June 2024
- Professor Philip Kloer, who was appointed as Interim Chief Executive Officer from 1 February 2024 was substantively appointed as Chief Executive Officer from 22 October 2024
- Lisa Gostling, Executive Director of Workforce and Organisational Development/Interim Deputy Chief Executive was substantively appointed as Deputy Chief Executive from 2 December 2024
- Delyth Raynsford, Independent Member (Community) left the Health Board on 31 March 2025
- Sarah Harraway joined the Health Board as Independent Member (Community) on 6 May 2025
- Sharon Daniel was made substantive Director of Nursing, Quality and Patient Experience on 1 April 2025 after undertaking the role on an interim basis since 1 January 2024

11.2.2 Register of Interests

Details of company directorships and other significant interests held by members of the Board, which may conflict with their responsibilities, are maintained and updated on a regular basis. A register of interests is available on the Health Board's website at:

<https://hduhb.nhs.wales/register-of-interests-gifts-sponsorship-and-hospitality/>. A hard copy can be obtained from the Director of Corporate Governance/Board Secretary on request.

11.2.3 Personal data-related incidents

Information on personal data-related incidents formally reported to the Information Commissioner's Office and serious untoward incidents involving data loss or confidentiality breaches are detailed in the [data security section](#) of the Governance Statement.

11.2.4 Environmental, social and community issues

These are outlined in [pages 32 and 46](#) 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: 26 June 2025

11.4 Statement of directors' responsibilities in respect of the accounts

The directors are required under the National Health Service Act (Wales) 2006 to prepare accounts for each financial year.

The Welsh Ministers, with the approval of HM Treasury, direct that these accounts give a true and fair view of the state of affairs of Hywel Dda University Health Board (the Health Board) and of the income and expenditure of the Health Board for that period.

In preparing those accounts, the directors are required to:

- apply on a consistent basis accounting principles laid down by the Welsh ministers with the approval of HM Treasury
- make judgements and estimates which are responsible and prudent, and
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts

The directors confirm that they have complied with the above requirements in preparing the accounts.

The directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the authority and to enable them to ensure that the accounts comply with requirements outlined in the above-mentioned direction by the Welsh ministers.

By order of the Board

Signed by:

Chair:

Date: 26 June 2025

Dr Neil Wooding

Chief Executive:

Date: 26 June 2025

Professor Philip Kloer

**Executive Director
of Finance:**

Date: 26 June 2025

Huw Thomas

11.5 Governance statement

11.5.1 Scope of responsibility

The Board is accountable for governance, risk management and internal control. As Chief Executive of the Board, I have responsibility for maintaining appropriate governance structures and procedures, as well as a sound system of internal control that supports the achievement of the organisation's policies, aims and objectives, whilst safeguarding the public funds and the organisation's assets for which I am personally responsible. These are carried out in accordance with the responsibilities assigned by the Accountable Officer of NHS Wales.

The Annual Report outlines the different ways the organisation works both internally and with partners in response to the significant challenges of planning and providing services. It explains arrangements for ensuring standards of governance are maintained, risks are identified and mitigated, and assurance has been sought and provided. Where necessary, additional information is provided in the Governance Statement, however the intention has been to reduce duplication where possible. It is therefore necessary to review other sections in the Annual Report alongside this Governance Statement.

The Governance Statement explains our governance arrangements and how they enable us to operate in an open and transparent way to support the achievement of our strategic objectives. The Board sits at the top of our internal governance and assurance system. It sets strategic objectives, monitors progress, agrees actions to achieve these objectives and ensures appropriate controls are in place and working properly. The Board also takes assurance from its committees, assessments against professional standards and regulatory frameworks.

Further detail on how we maintained good governance arrangements during 2024-25 are provided within this Governance Statement.

11.5.2 Escalation and intervention arrangements

Under the [NHS Wales Escalation and Intervention Arrangements](#), the Welsh Government meets with Audit Wales and Healthcare Inspectorate Wales (Tripartite Group) twice a year to discuss the overall assessment of each Health Board, trust and special health authority in relation to the arrangements.

The Health Board has been in targeted intervention (level 4) for finance and planning, and enhanced monitoring for quality issues related to performance, resulting in long waiting times and poor patient experience since September 2022. However, due to the Welsh Government's concerns on our lack of sustained progress over a period of time on integrated planning, finance and delivery, in January 2024, the Welsh Government increased the escalation status to targeted intervention (level 4) for the entire organisation.

In March 2025, the Health Board was de-escalated for Child and Adolescent Mental Health Services, Planned Care, Governance and Leadership, with these all moved from targeted intervention to enhanced monitoring status (level 4 to level 3). This external validation highlights

the tangible impact of our collective efforts, though we remain focused on addressing the areas still requiring improvement and further improving on our successes to date.

We have implemented a robust accountability system for managing targeted intervention through a comprehensive framework tracking 56 de-escalation criteria across six key domains. Each criteria follows a clear pathway from identification to resolution, with transparent classification (Alert, Advise, Assure) that provides immediate visibility of progress. The framework assigns specific executive ownership for each criteria with established reporting routes through operational groups to committees and ultimately to the Board. This creates clear lines of accountability and ensures all improvement actions are systematically tracked, evidenced, and reported. Regular reviews through the governance structure maintain momentum and enable early intervention when progress stalls.

This approach has yielded significant results, particularly in financial management, where we have delivered over £30m of savings and reduced our projected deficit to £24m, considerably below our control total. Notable improvements are also evident in workforce stabilisation through international recruitment and reduced agency reliance, and progress in infection control measures.

As acknowledged in the recent Ministerial letter, while challenges remain in areas like cancer pathways, diagnostics and urgent care, our structured approach provides the foundation for sustainable improvement. The framework ensures we maintain focus across all domains simultaneously, driving continuous improvement while building the organisational capacity needed for long-term transformation and financial sustainability. This provides both the bedrock and backdrop for the 2025-26 annual plan.

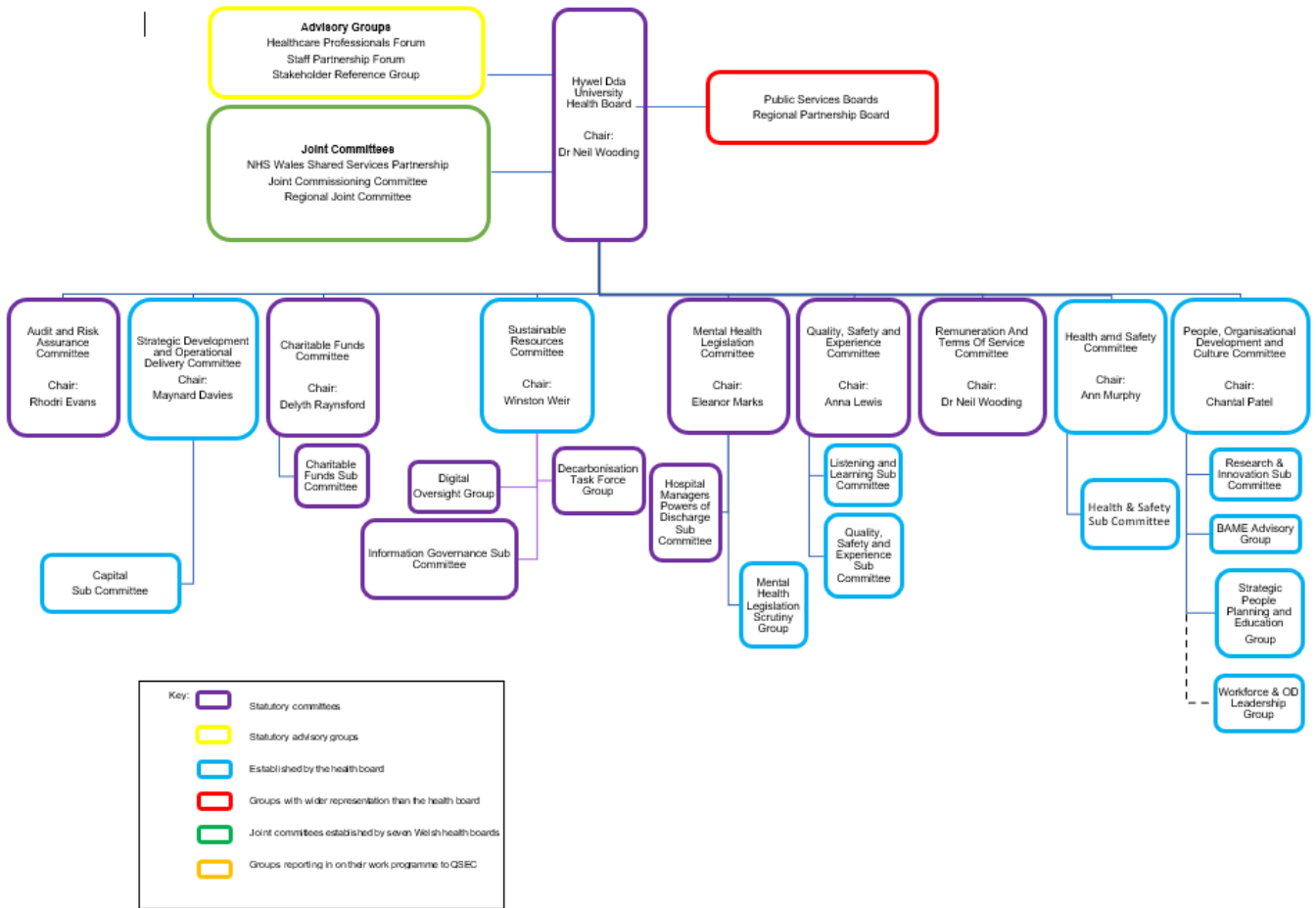
In addition to the routine performance management arrangements with the Welsh Government, which include regular Joint Executive Team (JET) and Integrated Quality, Planning and Delivery Group (IQPD) meetings, and quarterly escalation meetings. The Welsh Government will also agree with the Health Board the ongoing frequency of interventions, support and monitoring and the new de-escalation criteria.

11.5.3 Our governance framework

The Health Board has agreed standing orders for the regulation of proceedings and business of the organisation. These are designed to translate the statutory requirements set out in the LHB (Constitution, Membership and Procedures) (Wales) Regulations 2009 into day-to-day operating practice. Together with the adoption of a scheme of matters reserved to the Board, a scheme of delegation to officers and others and standing financial instructions, they provide the regulatory framework for the business conduct of the Health Board and define its ways of working.

These documents form the basis upon which our governance and accountability framework is developed and, together with the adoption of our standards of behaviour framework, are designed to ensure the achievement of the standards of good governance set for the NHS in Wales.

Board and committee structure as at 31 March 2025:



From 1 April 2025, a new Committee structure has been approved by the Board which will see the disestablishment of the Strategic Development and Operational Delivery Committee and the Sustainable Resources Committee, these will be replaced by the following Committees:

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

11.5.4 Standing Orders

The Health Board approved the revised model Standing Orders and Standing Financial Instructions, issued by Welsh Government, at its Board in April 2025.

All variations to our Standing Orders are reported the Audit and Risk Assurance Committee (ARAC). During 2024-25, there was one variation to the Standing Orders:

- **Annual General Meeting (AGM):** Standing Orders state that the Health Board 'must hold an AGM in public no later than 31 July each year.' In light of the revised timetable for Audit Wales to submit final annual reports and accounts to HSSG Finance for the reporting period 2024-25, Welsh Government confirmed that AGMs will take place no later than 30 September 2025. ARAC was advised through the review of Standing Orders directing that that AGMs must be held 'no later than 30 September 2025 for the year 2024-25. This was reported to the Board in May 2025.

11.5.5 The Board

The Board provides leadership and direction to the organisation and is responsible for governance, scrutiny, and public accountability, ensuring that its work is open and transparent. The Board functions as a corporate decision-making body.

As outlined in our [Directors' Report](#), the Board is made up of individuals from a range of backgrounds, disciplines, areas of expertise.

The Board ensures that its work is open and transparent by holding its meetings in public. Meetings are also live-streamed, with recordings available on our website. While private meetings are kept to a minimum, where these are appropriate, meeting agendas are also published.

During 2024-25, the Board held:

- 8 meetings in public (all were quorate)
- 1 annual general meeting
- 9 seminar sessions

Attendance, detailing apologies received and nominated deputies, is formally recorded within the minutes. The dates, agendas and minutes of all public meetings can be found on the Health Board's website: <https://hduhb.nhs.wales/about-us/your-health-board/>

The Board has a programme of work which was adapted during the year to respond to emerging events and circumstances. There is also a clear patient and staff-centred focus by the Board at its meetings, demonstrated by the presentation of patient and staff stories at each meeting through the patient experience report.

Items considered by the Board during 2024-25 included:

- Year-end documentation, including Board effectiveness report, Head of Internal Audit Annual Report and Opinion, the Health Board's Annual Report and Accounts for 2023-24 and Audit Wales ISA 260 and Letter of Representation
- Duty of Quality and Duty of Candour report
- Audit Wales Annual Audit Letter and Structured Assessment
- Standing Orders, Standing Financial Instructions and scheme of delegation
- Risk management strategy and risk management procedure
- Risk appetite statement
- Revised Board and Committee Governance Arrangements

- Primary care governance arrangements
- Nurse Staffing Levels (Wales) Act compliance reports and annual report
- Organ donation annual report
- Clinical Services Plan update reports
- Primary care and community services strategic plan
- Accountability report
- Strategic approach to financial recovery report
- Provision of dental services for Hendy Gwyn, Haverfordwest and Carmarthen Tender Process
- Planning maturity matrix and action plan approval
- Research and Innovation Strategic Plan 2025-2030
- Discretionary Capital Programme 2025-2026
- Regional Pathology Operational Delivery Network
- Funded Nursing Care Rate 2024-25
- Immunisation Equity Strategic Plan
- Approval for RAAC Works over £1m
- St Davids Surgery
- Accelerating the Cylch Caron model of care
- Prince Philip Hospital Minor Injuries Unit options
- Paediatric Inpatient Provision Bronglais General Hospital
- Community engagement
- Mental health S136 facilities public engagement
- Eye health needs assessment
- Director of Public Health annual report
- Healthcare Inspectorate Wales annual report
- Llais annual report
- A Regional Collaboration for Health (ARCH) review
- Development of the Regional Pathology Operational Delivery Network
- Mental health service provision: Ceredigion
- Measures to improve children's autistic spectrum disorder services
- Winter respiratory vaccination programme
- Health improvement and well-being strategic plan
- Well-being objective annual report
- Major Incident Plan
- Collaboration Agreement for the Flying Start Healthy Child Wales Programme.
- Eliminating Hepatitis B and C Joint Recovery Plan
- Safeguarding Strategy
- Social model for health and well-being
- Long term agreements
- Pentre Awel
- Welsh Government Building, Picton Terrace
- Strategic equality plan annual report

- Temporary workforce – variable pay reduction
- Business cases relating to:
 - Sexual Assault Referral Centre business justification case
 - Patient Flow and eObservations final business case
 - WGH Fire Works business justification case
 - BGH Fire Works PBC
 - Letters of Fire Safety Matters at BGH
 - Fire Investment Programme
 - Digital Cellular Pathology business justification case
 - Digital Maternity Cymru business case
 - Digital transformation strategic partner
 - Aseptic Project business justification case
 - Hub Pathology Centre of Excellence

Regular items throughout the year to the Board included those listed above, as well as the following:

- Updates on implementing the Healthier Mid and West Wales Strategy, including PBC and land identification plan/consultation.
- Reports on the Annual Plan 2024-25 and development of the Annual Plan 2025-26
- Reports on the financial performance and the related risks for discussion
- Procurement reports
- Property lease reports
- Reports on improving patient experience, providing feedback and activity, for assurance.
- Integrated performance assurance reports identifying areas of concern for discussion.
- Board Assurance Framework (BAF) dashboard providing a visual representation of the Health Board's progress against each strategic objective for assurance.
- Corporate risk reports providing assurance on the management of risks and any variances to agreed tolerance levels.
- Reports from the Chair and Chief Executive (including the register of sealings for endorsement and status reports on consultations) for discussion
- Update reports from Board committees (including approval terms of reference, committee annual reports
- Assurance reports and endorsement of any matters arising from the In-Committee Board, Board Committees, Joint Committees, Advisory Groups and statutory partnerships of the Board.
- Update reports from the Regional Joint Committee
- Minutes from our Corporate Trustee

11.5.6 Board committees

The Board is supported by a number of committees, each chaired by an independent member. These committees have an important role in providing scrutiny and seeking assurance in relation

to the achievement of our strategic and planning objectives, provision of safe and effective services, compliance with legislation and standards, learning from lessons, and oversight of performance and risk. The Health Board has the following committees in place:

- Audit and Risk Assurance Committee (ARAC)
- Charitable Funds Committee (CFC)
- Ethics Panel (EP)
- Health and Safety Committee (HSC)
- Mental Health Legislation Committee (MHLC)
- People, Organisational Development and Culture Committee (PODCC)
- Quality, Safety and Experience Committee (QSEC)
- Remuneration and Terms of Service Committee (RTSC)
- Strategic Development and Operational Delivery Committee (SDODC)
- Sustainable Resources Committee (SRC)

The terms of reference for all Board committees are reviewed on at least an annual basis and can be found in the governance arrangements section on our website:

<https://hduhb.nhs.wales/about-us/governance-arrangements/>

Details of membership and the record of attendance at both Board and these committees is set out in [Appendix 1](#), with a table of quoracy at [Appendix 2](#).

Each committee has an executive director lead who works closely with the chair of the committee to set agendas, plan the business cycle and support good quality, timely information being relayed to the committee. As well as producing formal minutes and a decision log, each committee maintains a table of actions that is monitored at meetings.

The Chair of each committee provides a written report to the Board following each meeting. In 2024/25, the Board introduced the 'Triple A' report (alert, advise and assure) which enables the Board to be 'alerted' to the significant areas of concern escalated from its committees, 'advised' of matters that committees are closely monitoring and be 'assured' on other matters considered by committees. The reports also outline key risks and areas of learning. Each committee chair is also responsible for providing the Board with an annual report, setting out a summary of its work throughout the year and the review of its performance.

The committees, as well as reporting to the Board, also work together on behalf of the Board to ensure, where required, that cross reporting and consideration takes place, and assurance and advice, is provided to the Board and the wider organisation. Committee chairs also meet to support the connection and triangulation of information between committees, and to continually assess the effectiveness of the Board committees.

Throughout the year, each committee has undertaken a self-assessment and produced a meaningful development plan to ensure there is continual learning and improvement. This process adds value to the organisation's governance capability and provided an opportunity for committees to reflect on the previous 12 months and to consider areas the committee has influenced, driven improvements and learnt from where the committee could have placed more

focus. Outcomes from the process have been taken forward by committees to improve effectiveness and governance arrangements, with themes from the committees' self-assessment process informing the Board's development programme.

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

Following a review by the Chair and incorporating feedback from the Committee Self-Assessment process in January 2025, the Board approved revised Board committee governance arrangements which will be implemented from 1 April 2025. The changes are detailed in the [Revised-committee-arrangements](#) report to Board and are summarised as follows:

- The disestablishment of SRC and SDODC from 31 March 2025
- The establishment of a Finance and Performance Committee which will focus on financial and operational delivery
- The establishment of a Strategy and Planning Committee which will focus on planning and strategic development
- The establishment of a new Digital, Data and Innovation Committee focussing on digital transformation, data quality, and research and innovation

11.5.9 Advisory groups

The Health Board has a statutory duty to 'take account of representations made by persons and organisations who represent the interests of the communities it serves, its officers and healthcare professionals'. This is achieved in part by three advisory groups to the Board.

- **Healthcare Professionals' Forum (HPF)**

The HPF comprises of representatives from a range of clinical and healthcare professions within the Health Board and across primary care practitioners with the remit to provide advice to the Board on all professional and clinical issues it considers appropriate. It is one of the forums used to share early service change plans, providing an opportunity to shape the way the Health Board delivers its services. HPF met twice during 2024-25, and will be reinvigorated in 2025/26. Items considered included:

- Stakeholder mapping update
- Membership update
- Clinical Services Plan update

- **Staff Partnership Forum (SPF)**

The SPF engages with staff partnership organisations on key issues facing the Health Board. It provides the formal mechanism through which the Health Board works together with trade unions and professional bodies to improve health services for the population it serves. It is the forum where key stakeholders engage with each other to inform debate and seek to agree local priorities on workforce and health service issues. SPF met six times during 2024-25. Items considered included:

- Local Partnership Forum updates
- Organisational changes

- Health and safety updates
- Policy updates
- Strategic Equality Plan

A successful workshop was held around implementing 4 key areas included in the non-pay elements of the pay deal, where the staff side and workforce lead updated on progress within their groups.

- **Stakeholder Reference Group (SRG)**

The SRG is formed from a range of partner organisations from across the Health Board's area. It engages with and is involved in the strategic direction, advises on service improvement proposals and provides feedback to the Board on the impact of its operations on the communities it serves. The SRG met four times during 2024-25. Reflective sessions form part of all meetings to obtain feedback on meetings to ensure continuous improvement. Regular agenda items include updates on:

- Continuous Engagement Programme
- Current and Future Planned Consultations
- Integrated Performance Assurance Reports

A workshop was held to review the group's effectiveness as well as a briefing session for new members to explain the aims and objectives of the group.

11.5.10 Other advisory groups

- **Black, Asian, and Minority Ethnic (BAME) Advisory Group**

The BAME Advisory Group was established in July 2020 to advise the Health Board on mainstreaming equality, diversity and inclusion and provide a forum to empower and enable BAME staff to achieve their potential through creating positive change. The BAME Advisory Group met twice during 2024-25. In August 2024, as part of the review of the terms of reference, the group changed its name to the Hywel Dda Anti Racist Group, in order to provide a clearer focus on the implementation of the all-Wales anti-racism action plan. Subsequently, during the autumn, the Board commissioned a broader review of the Health Board's equality, diversity and inclusion actions, and the group has paused meeting pending completion of this review.

11.5.11 Joint committees

- **Regional Joint Committee (RJC)**

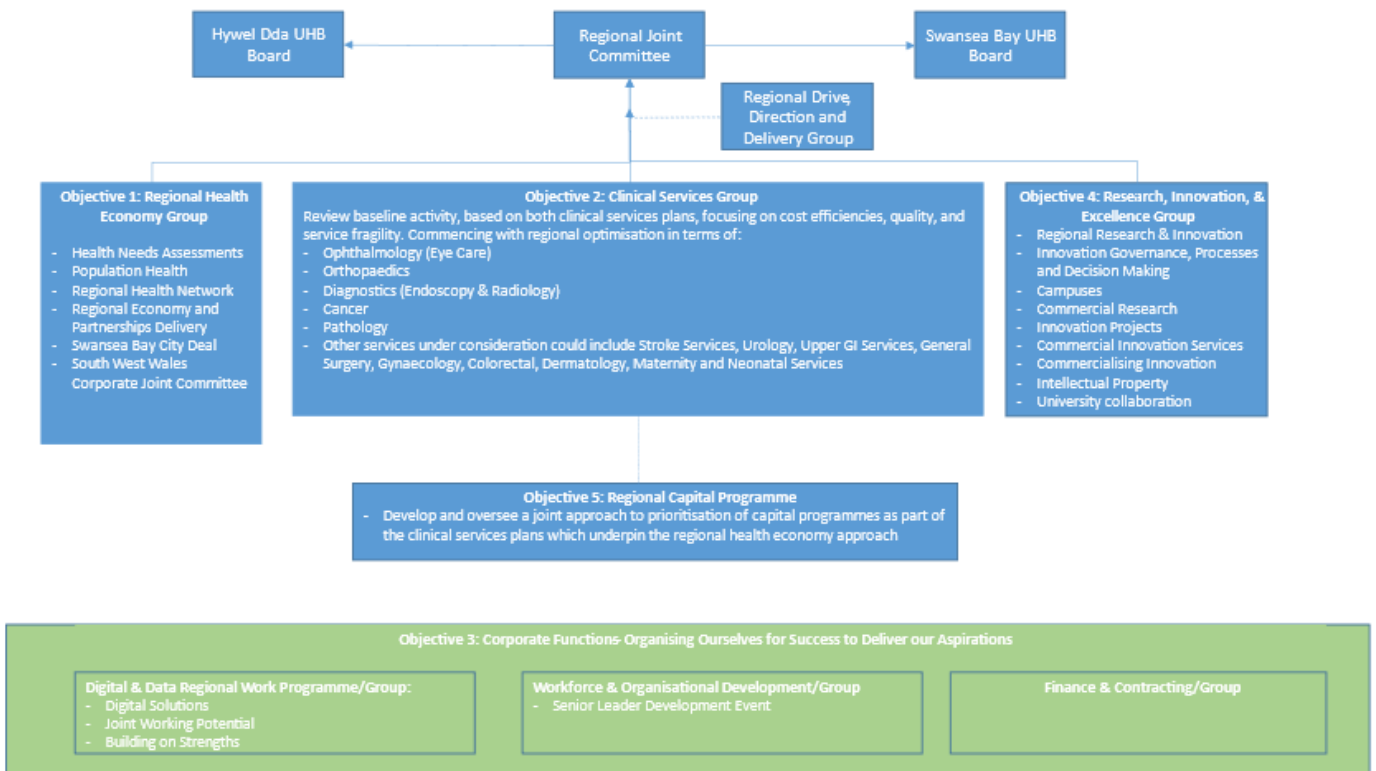
On 19 March 2024, Hywel Dda and Swansea Bay University Health Boards were directed by the then Minister for Health and Social Services, to establish a joint committee to explore regional solutions that will progress sustainable service provision and improved quality and outcomes, whilst addressing workforce, infrastructure and financial constraints. The expectation from Welsh Government was a commitment to regional working within the Integrated Medium-Term Plans/Annual Plans for 2024/25 for both Health Boards, with key deliverables within our objectives and a requirement to work collaboratively, Welsh Government intend to hold both Health Boards to account via the quality, performance and delivery framework. The focus will be

on population health, prevention and early intervention, with excellent health services that are leading edge and sustainable, and effective partnerships that focus on the wider determinants of health and reducing inequalities.

A joint Board to Board meeting was held on 17 October 2024 to develop a joint ambition and consider how to strengthen the existing regional working arrangements that were in place. Even though both Health Boards face challenges, this was recognised as an exciting opportunity to work closer together for the benefit of our joint population.

The inaugural meeting took place in January 2025 and meetings thereafter will be quarterly.

Terms of Reference for the RJC were approved by both Swansea Bay and Hywel Dda University Health Boards in January 2025. In recognition that the RJC is the equivalent of a Board level assurance Committee, in March 2025, the Board approved governance arrangements to support delivery of the RJC’s work programme.



Further information on these arrangements can be accessed in the following report which was presented to the Board in March 2025 ([Board agenda and papers 27 March 2025 - Hywel Dda University Health Board](#)).

• **Mid Wales Joint Health and Social Care Committee**

The Mid Wales Joint Committee, established in response to the recommendations of the Mid Wales Healthcare Study (2014), is a formal collaborative between the health and care organisations covering the Mid Wales region. Members of the Joint Committee includes the three

Local 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).

The Mid Wales Joint Health and Social Care Committee has a set of annually agreed Mid Wales priority areas which have been identified as those areas that will provide added value through working on a Mid Wales footprint. These priorities align with the Integrated Medium-Term, Annual and Regional Plans of the Joint Committee's partner organisations. The priority areas focus are on a whole pathway approach with regional links between primary, secondary, community and social care which support the Welsh Government's expectation for Mid Wales organisations to work together to plan and deliver regional solutions across organisational boundaries.

The work of the Joint Committee is co-ordinated by the Mid Wales Planning and Delivery Executive Group. The focus of the group's work is to oversee the development and implementation of the Mid Wales Priorities and Delivery Plan which is considered alongside individual organisational plans together with the consideration of any other emerging matters which require a collaborative discussion and regional approach.

The Mid Wales Joint Health and Social Care Committee is led by a number of Executive Directors from across the region. The April 2024 Committee meeting was Chaired by Judith Hardisty (who was the interim Chair for Hywel Dda UHB at the time). The role of Lead Chair has now changed to Dyfed Edwards (Chair of Betsi Cadwaladr UHB) as from November 2024. Members of the Committee include the Executive Director of Strategy and Planning, the Chair and Chief Executive of HDdUHB and the HDdUHB Programme Director.

The Committee met twice during 2024/5 (April and October). Updates were received on:

- Mid Wales Joint Committee's Priorities and Delivery Plan 2024/5
- Mid Wales Clinical Advisory Group
- Rural Health and Care Wales Stakeholder Group
- Rural Health and Care Wales Work Programme
- Annual Plans for the 3 Local Health Boards

The overarching priorities for 204/25 include:

- Urology – To continue to develop a programme of renewal of urology pathways across the region.
- Ophthalmology – To scope alternative options to the triumvirate Mid Wales collaboration ophthalmology consultant leadership role and increase capacity and access to services through the development of a regional and whole system pathway approach.
- Cancer and Chemotherapy Outreach – To establish a new Chemotherapy Day Unit in Bronglais Hospital and to review radiotherapy and chemotherapy pathways to identify opportunities for increasing provision and improving access across Mid Wales. The

business case for the second permanent CT3 Simulator has been approved by the Welsh Government. Building work is planned for April to June 2025 with handover planned for August 2025. The second CT simulator will meet the increased demand for Radiotherapy services across South-West Wales.

- Community Dental Services - Exploring the feasibility of an integrated service for joint paediatric general anaesthetic list at Bronglais Hospital using existing facilities not fully utilised and identify what improvements could be made to general NHS dental services provision across Mid Wales.
- Clinical Strategy for Hospital Based Care and Treatment and regional solutions – implementation of the Bronglais Hospital 10 Year Clinical Strategy which will support the development of regional and cross border solutions.
- Cross border workforce arrangements – develop solutions to establish cross border health and social care workforce arrangements across Mid Wales.

Supporting the delivery of the Mid Wales priorities are a set of three clinical and three social care priorities which have been identified by the Mid Wales Clinical Advisory Group and Mid Wales Social Care Group.

Clinical priorities for 2024/25:

- Urology
- Rheumatology

Members of the Mid Wales Social Care Group were asked to provide feedback on what they felt should be the social care priorities for 2025/26, whether the priorities for 2024/25 should continue into 2025/26 and whether there were any other emerging priorities which needed to be considered. Following consideration of the feedback received the group agreed that the social care priorities for 2025/26 should be as follows:

- Residential Children's Accommodation
- Trusted Assessor along with Delayed Pathways of Care
- Welsh Community Care Information System (WCCIS)
- **NHS Wales Joint Commissioning Committee (NWJCC)**

We are a member of the NWJCC which was established in response to the findings of an independent review commissioned by Welsh Government into the national commissioning arrangements undertaken by the Emergency Ambulance Services Committee (EASC), the Welsh Health Specialised Services Committee (WHSSC) and the National Collaborative Commissioning Unit (NCCU).

From 1 April 2024, the NWJCC replaced EASC and WHSSC and took responsibility for the services previously commissioned by these committees and the NCCU, together with the commissioning of NHS 111 Wales services, and the Sexual Assault Referral Centres for Wales.

The NWJCC is a joint committee of the seven Health Boards acting collectively on their behalf. However, individual Health Boards are ultimately accountable to their population and other stakeholders for the provision of the services commissioned by the NWJCC for the residents in their area.

Hosted by Cwm Taf Morgannwg University Health Board, we are represented on the Joint Committee by the Chief Executive and regular reports are received by the Board supported by a more in-depth discussion, on an annual basis, at the Board seminar meeting.

11.5.12 Partnership and collective working

- **Hywel Dda public service boards**

We are a statutory member of the public services boards (PSBs) in Carmarthenshire, Ceredigion and Pembrokeshire. PSBs were established under the Well-being of Future Generations (Wales) Act 2015. Their purpose is to improve the economic, social, environmental and cultural well-being in its area by strengthening joint working across all public services in Wales. The effective working of PSBs is subject to overview and scrutiny by the Well-being of Future Generations Commissioner, Audit Wales, as well as designated local authority overview and scrutiny committees.

All three PSBs have cross-cutting themes of reducing inequalities, inequity and poverty.

Ceredigion PSB met in July, September and March to focus on community consultation and climate and nature delivery group initiatives such as decarbonisation plans and climate change risk assessment. In September, an updated delivery framework was reviewed. In March, updates from the Refugee Resettlement Group, Well-being in Lampeter Delivery Group and joint working arrangements between Ceredigion Association of Volunteer Organisations (CAVO) and Cwmpas were received. The PSB Annual Report is being drafted and due to be presented in June 2025.

Pembrokeshire PSB met in July, September and February focusing on the well-being assessment and plan, increasing engagement with young people, decarbonisation and climate change. Updates were also provided on strengthening communities workstream and on the poverty workstream of the PSB well-being plan including the local family and community engagement (FaCE) programme, which was noted as an example of joint working with education, health, social services and housing. The Nature, Decarbonisation and Climate Change Group discussed options for future chairing as the current Chair is due to step down in the near future.

Carmarthenshire PSB met in September, November and January. A climate change risk assessment workshop was held in June 2024 with a report presented at the PSB in September, after which a task and finish group for climate change risk assessment was established which subsequently met in March 2025. In March, updates were received from the 'Whole Systems Approach to Healthy Weight, Healthy Wales' programme. Carmarthenshire County Council shared their Corporate Parenting Charter, highlighting the principles and promises to support care-experienced young people. Updates were provided from the task and finish groups on:

- Promoting work and career opportunities in the public sector
- Make every contact count
- Collaboration on electric vehicle charging infrastructure
- Carmarthenshire food strategy

PSB partners agreed to continue to support the well-being plan information events as part of community consultation.

The Board has received updates from all PSBs on the work they are undertaking to progress their well-being objectives, outlined below:

Carmarthenshire PSB well-being objectives	Ceredigion PSB well-being objectives	Pembrokeshire PSB well-being objectives
<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • 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**

Regional partnership boards (RPBs), based on local Health Board footprints, became a legislative requirement under Part 9 of the Social Services and Well-being (Wales) Act 2014 (SSWBWA). Their core remit is to promote and drive the transformation and integration of health and social care within their areas. We are fully committed to integrating health and social care planning through a co-ordinated approach. Across west Wales we have a strong track record of joint

planning between agencies and the approach set out by the Welsh Government this year builds upon the foundations already in place.

RPBs have an important role in co-ordinating integrated capital planning activity for their region. This includes the utilisation of dedicated funds for RPBs in addition to the existing capital portfolios of local authorities and Health Boards. In west Wales, there is a RPB Capital Strategic Board and Operational Group for this purpose, jointly chaired by the Director of Communities for Carmarthenshire County Council and the Executive Director of Strategy and Planning for Hywel Dda University Health Board.

A summary of the items discussed in 2024-25 include:

- Further/Faster Funding update and financial tracker
- Advocacy Strategy launch
- Neuro Diverse Improvement Programme Funding
- Dementia Strategy Report
- RPB citizen and Third Sector Engagement Panel launch
- Social Prescribing Mapping Questionnaire submission
- Regional Integrated Fund Report
- 50 day Challenge
- NEST Framework (Nurturing Empowering Safe Trusted)
- Health and Social Care Integration Fund (RIF)

Workshops facilitated by an external company were held in July and September focusing on governance, purpose and self-assessment outcomes.

The first 'Regional Footprint' meeting with the Cabinet Secretary, Welsh Government was held on 9 October 2024, with senior leaders from the Health Board, local authorities and RPB. The meeting reflected the improvements in performance of the region, and the on-going work to deliver on the Care Action Committee priorities.

Representatives from Welsh Government visited Prince Philip Hospital in October to review carers' initiatives, providing positive feedback.

The RPB meetings have been focussing on a series of facilitated workshops concentrating on the form, function and purpose of the Board following completion of a self-assessment tool. Following these workshops, and the report that followed, the RPB meetings will now be re-purposed to ensure concentration on setting direction around integration and regional working and focusing on specific issues in each meeting.

The first of these 'new style' meetings took place in January 2025, where the agenda concentrated on the changes to the Partnership Regulations, which came into force on 31 December 2024, and how the RPB will be implementing them.

The role of the RPB and how it can add value and ensure it meets its aims has been the subject of discussion in several planned meetings between senior executives, the Chair and lead of the RPB. Once completed, a written report will be presented to the Board. It will also be part of the refresh of

the self-assessment tool and the Population Health Needs Assessment that each RPB in Wales must complete by September 2025.

The Health and Social Care Regional Integration Fund (RIF) is currently at the half-way point of its five-year cycle, and two meetings have been held to begin discussing the future of RIF and options for further iteration. A general consensus view is that this will be aligned to the vision of an Integrated Community Care System (ICCS).

- **NHS Wales Shared Services Partnership Committee (NWSSPC)**

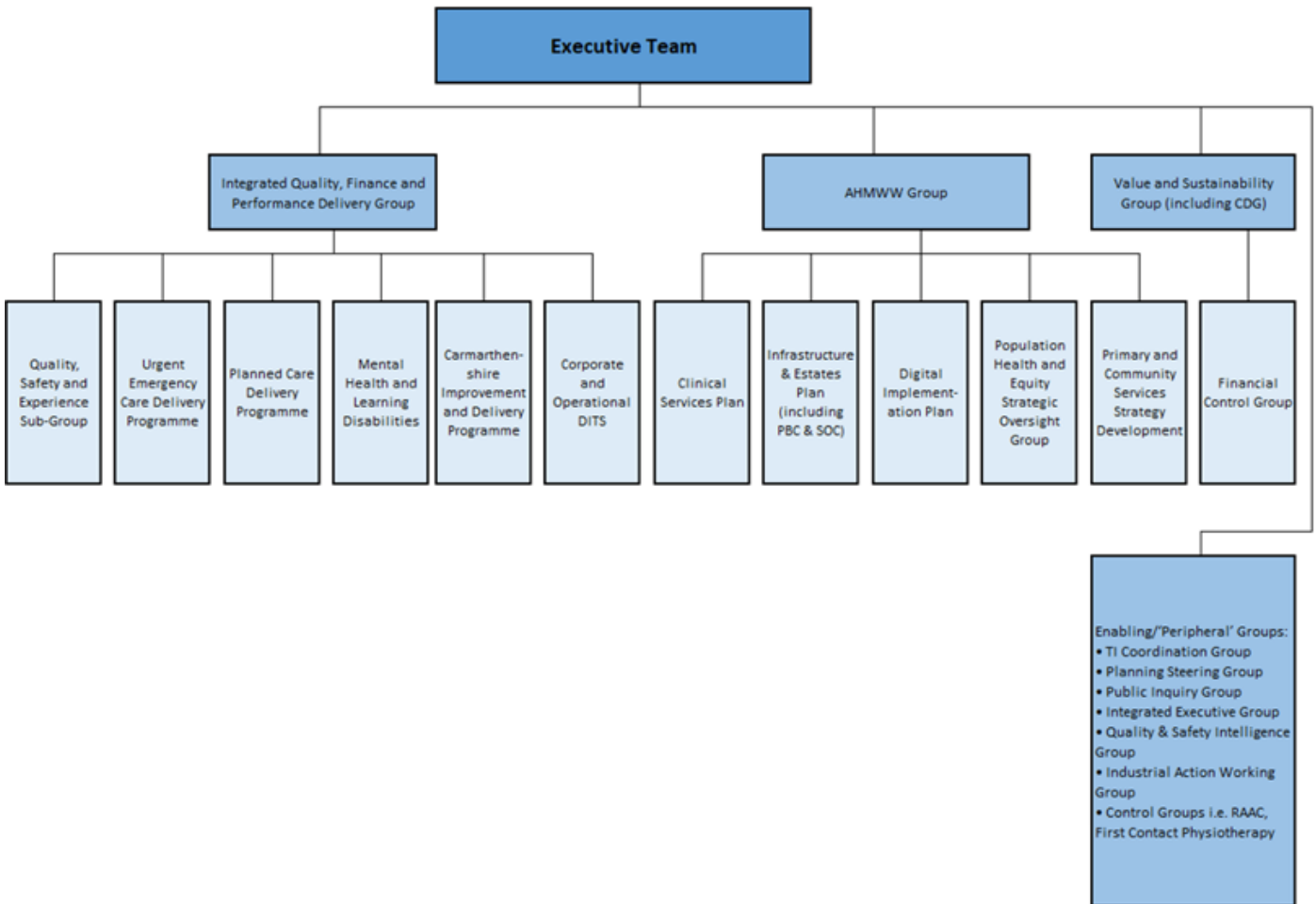
The NWSSPC was established in 2012 and is hosted by Velindre NHS Trust. It is responsible for the shared services functions for the NHS, such as procurement, recruitment, and legal services. Hywel Dda is represented by the Executive Director of Finance at this committee with regular reports received by the Board following each meeting.

11.5.13 Executive and operational governance arrangements

As from April 2024, a new executive governance structure was established to:

- ensure there is sustained progress on integrated planning, finance, and delivery, as required by Welsh Government
- ensure the work of the executive team and its underpinning sub structure are aligned with the Board and its Committees

- o better enable the Executive Team to respond to the targeted intervention escalation status



• **Formal Executive Team**

The Executive Team was established as the body within the Health Board that develops and endorses, prior to Board consideration, the formulation of plans, policies and strategies. It also oversees operational management and performance ensuring the organisation develops population services, builds commissioning capabilities, delivery and plans to develop the organisational system, ensuring robust performance management arrangements are in place.

The Executive Team is the primary executive decision-making body of the Health Board in relation to the delivery of the organisation’s strategic goals. It has powers delegated by way of those already vested in the individual executive directors/directors via the scheme of delegation.

The Executive Team meet weekly, with formal meetings held every other week and business meetings held on the alternative week.

• **Integrated Quality, Financial Performance Delivery (IQFPD) Group**

Terms of reference were constructed in April 2024 along similar lines to those of Welsh Government’s Integrated Quality Planning Delivery Group, outlined its responsibilities to ensure the effective planning and delivery of elements of the Health Board’s Annual Plan, to consider

themes and issues that arose through the Directorate Improvement Together Sessions, and provide direction where needed on how to address them. These terms of reference have been updated to reflect the new reporting arrangements for the new Clinical Care Groups from April 2025.

- **A Healthier Mid and West Wales Group**

This group took on a broader role than the previous A Healthier Mid and West Programme Group which focused solely on production of the Strategic Outline Case (SOC) for Board and Welsh Government approval. Its role incorporates the delivery of the Health Board's strategy in its wider sense, and also reflect the various programmes that feed into it in addition to the SOC.

- **Value and Sustainability Group**

Terms of Reference were constructed in April 2024 along similar lines to those of Welsh Government's Value and Sustainability Board. The Group is responsible for focusing on the identification of and driving financial improvement opportunities, supporting the delivery of savings plans. It will contribute to the Health Board's efforts to address the financial challenges identified in the Targeted Intervention framework which will be essential in enabling us to progress towards a more financially sustainable position and, ultimately, de-escalation from Targeted Intervention.

- **Operational directorate governance arrangements**

In response to previous recommendations from Audit Wales, the operational directorate structure was reviewed during 2024 to strengthen our leadership capacity and implement a more effective operational structure. This introduced six new clinical care groups, which includes an estates and facilities care group. Revised governance arrangements to support the new structure were also put in place to ensure there was consistency and standardisation, as well as to strengthen the flow of information from the new clinical care groups to the Executive Team. These new arrangements will be implemented from 1 April 2025, alongside a leadership and organisational development plan to support implementation of the new structure.

The implementation of clinical care groups represents a transformative change in our operational structure, designed to enhance governance, improve performance, and deliver better outcomes for patients.

Each clinical care group will be required to establish an Integrated Governance Group, which will report into the [IQFPDG](#) (see above) with prescribed terms of reference and standard agendas to cover the following specific areas:

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

11.5.13 Board development

Audit Wales Structured Assessment recognises our robust approach to Board development and improvement, and the importance of providing a good foundation to manage the period of significant change that has taken place at Board level in recent years. This transition was enabled through a series of Board development interventions such as development sessions on:

- Board Dynamics; Changes Ahead and Future Direction (July 2023)
- Changing Faces; Changing Places and an Organisational Landscape Review (Feb 2024)
- Chairing for Change and Changing Effectively as a Board (July 2024)

A further phase of the Board Development programme has been designed and commenced in January 2025 with the Board drawing up a set of design principles to guide their work for positive change in 2025 and beyond. Further whole Board events are planned throughout the year, together with a series of quarterly executive time-out sessions focusing on leadership development, team effectiveness and strategy development. In addition, the Chair and Chief Executive will commence a 12-month 'Two at the Top' programme in March 2025.

Talent management and succession planning will continue to be a key theme of the Board programme and builds on the work done in the last 12 months which involved:

- a review of the performance and talent management approach for independent members
- a quarterly performance review system for executives and the introduction of a potential and performance talent approach to support career development and future aspirations

Two of the Executive Team members have completed the Health Education Improvement Wales (HEIW) Aspiring Chief Executive Officer (CEO) programme within the last 12 months, with one of them being appointed to the substantive CEO position within Hywel Dda.

Broader talent management and succession approaches for longer term Board membership pipelines have included:

- the establishment of a talent pool for Aspiring Assistant Directors
- the introduction of a robust Assessment Centre approach for recruitment and selection to senior leadership roles which includes psychometric testing, values and stakeholder panels as well as an interview

Revised arrangements for Board level committee working and chairing roles have also been agreed which have further supported the talent management and succession planning progress of the Board as a whole.

Consequently, organisation performance results over the last 12 months are progressing in the right direction and the role of Board members in terms of providing scrutiny and seeking assurance has been pivotal to that progression. Furthermore, a renewed commitment to the leadership principles across Hywel Dda was demonstrated by the Board's adoption of the HEIW compassionate leadership pledge in July 2024.

This year, part of the new Chair and Vice-Chair's induction programmes have been extended to all Board members through a series of optional 'lunch and learn' events. These refresher sessions cover topics such as patient safety walkarounds, finance, patient service and complaints, risk and estates/capital projects.

11.5.14 Effectiveness of the Board and committees

Audit Wales concluded that arrangements for reviewing the Board's effectiveness remain strong in their structured assessment in 2024.

Our committees continue to review their effectiveness after each meeting where independent members have dedicated time to reflect on the meeting, which enables continuous learning and improvement. Member of our committees are also asked to complete a self-assessment survey to reflect on how the committees have operated over the previous 12 months. An outcome report, with an action plan to address any areas of development or improvement, is produced for each committee, as well as being reported in the committee annual reports. Themes are also fed into the Board development programme.

When assessing its own effectiveness, the Board draws on internal and external sources of assurance to help it evaluate its annual effectiveness, including the following:

- Joint escalation and intervention arrangements status as the Welsh Government raised the escalation status of the Health Board to targeted intervention for the whole organisation (see [Escalation and intervention arrangements](#) section of the report)
- Audit Wales structured assessment (more information on this can be found in the [Audit Wales Structured Assessment](#) section of this report)
- Self-assessment against the Code of Corporate Governance (see [Code of Corporate Governance](#) section of the report)
- Feedback from the Board committee self-assessment programme
- IA reports received throughout 2024-25

In response to Health Board’s escalation status to targeted intervention (level 4) for the entire organisation, the Board undertook a refreshed approach to assessing its effectiveness for 2024/25. This was partly in response to the de-escalation criteria within the ‘governance’ domain which required a ‘self-assessment against an agreed governance maturity matrix with evidence of the agreed level’, but also the Board’s own recognition that it needed to take a more nuanced approach to assessing its effectiveness to ensure it continues to evolve and mature. The new maturity matrix describes 10 key elements of good governance for NHS organisations which is aligned NHS Wales requirements and expectations. The Board considered the evidence outlined against the maturity matrix and agreed the following maturity levels:

Key criteria	Maturity level	Maturity level description
1. Clarity of purpose, roles and behaviours	3	The Board has agreed cultural and ethical values and strategic objectives, combined with a robust mechanism for developing care services and settings against these
2. Oversight and administration principles	4	Using these principles has helped Board members to better understand their roles in governance. Governance activities that provide little value and do not meet the principles have been stopped

3. Leadership and strategic direction	3	An induction and development programme is in place for Board/ and aspirant members. Diversity is embedded in the approach.
4. Effective external relationships	3	Effective citizen involvement is in place, and evidenced by improvement initiatives that are put into operation as a result.
5. Effective internal relationships	3	The organisation prioritises staff and internal stakeholder involvement, and formal and informal input and feedback from all staff, new staff, and leavers, is sought and valued.
6. Transparency and public reporting	3	The Board publicly demonstrates conflicts are examined and covered within contracts; Limited use of In-Committee meetings; integrated public reporting is central to organisational finance, quality, and performance management.
7. Systems and structures: quality and safety	3	Quality management system strategic framework implementation demonstrates improvements the domains within the within the health and care quality standards.
8. Delivery of agreed outcomes	2	Performance reports including benchmarking data and key performance indicators are in development.
9. Risk management and compliance	4	The Board Assurance Framework is central to the management of risks to achieving strategic objectives, with a quarterly update and annual action planning to drive business. Emergency and Business Continuity Plans are improved through a range of scenario tests in year
10. Effectiveness and added value	3	The annual cycle of business is planned and the Board Assurance Framework is used by the Board to identify opportunities for increased effectiveness and added value.

The improvement work being undertaken by the Health Board in respect of its escalation status will help to strengthen the effectiveness of the Board, as well as embedding the new operational governance arrangements.

11.5.15 The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risks. It can therefore only provide reasonable and not absolute assurances of effectiveness.

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently,

effectively, and economically. The system of internal control has been in place for the year ended 31 March 2025 and up to the date of approval of the Annual Report and Accounts.

The Board is accountable for maintaining a sound system of internal control which supports the achievement of the organisation's objectives. The system of internal control is based on a framework of regular management information, administrative procedures including the segregation of duties and a system of delegation and accountability. It has been supported in this role by the work of the main committees, each of which provides regular reports to the Board, underpinned by a sub-committee structure, as shown in [Our Governance Framework](#) section of this statement.

11.5.16 Capacity to handle risk

The Board is responsible for the effective management of the organisation's risks in pursuance of its aims and objectives. The Board collectively has responsibility and accountability for setting the organisation's objectives, defining strategies to achieve those objectives, and establishing governance structures and processes to best manage the risks in accomplishing those objectives.

The Chief Executive, as accountable officer, has overall responsibility for ensuring that the Health Board has an effective risk management framework and system of internal control, however, executive directors have responsibility for the ownership and management of principal, corporate and operational risks within their portfolios.

The Health Board's lead for risk is the Director of Corporate Governance/Board Secretary, who has responsibility for leading on the design, development, and implementation of the Board Assurance Framework (BAF) (view here: <https://hduhb.nhs.wales/board-assurance-framework-pdf/>) and Risk Management Framework (view here: <https://hduhb.nhs.wales/risk-management-framework/>).

11.5.17 Risk management framework

The risk management framework helps the Health Board understand, evaluate, and manage risks to increase success and reduce failure. It is part of the overall governance of the organisation and aims to improve decision-making and efficiency. It also provides assurance to stakeholders by reducing uncertainty and helping prioritise decisions for the best outcomes.

This framework outlines the foundation and organisational arrangements for risk management. It clarifies roles, responsibilities, communication, risk escalation, and reporting lines. It includes the risk strategy and protocols.

The framework uses the 'Three Lines of Defence' model:

1. First Line: Management control
2. Second Line: Risk control and compliance oversight
3. Third Line: Independent assurance

These three lines work together within the Health Board's governance framework.

Procedures, guidance, systems, and tools help management identify, assess, and manage risks daily. The Health Board's assurance and risk team support this with training, advice, and embedding a risk-aware culture.

In 2024-25, we conducted our annual risk maturity self-assessment following the Orange Book, a recognised public sector risk management standard.

We undertook our annual risk maturity self-assessment in 2024-25 in accordance with the Orange Book, which is a recognised risk management standard for the public sector and undertaken by the Health Board on an annual basis.

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

Level 1 Awareness and understanding	Level 2 Implementation planned and in progress	Level 3 Implementation in all key areas	Level 4 Embedding and improving	Level 5 Excellent capability established
<ul style="list-style-type: none"> Partnerships 	<ul style="list-style-type: none"> Risk handling People Outcomes 	<ul style="list-style-type: none"> Leadership Risk strategy and policies Processes 		

The self-assessment continued to demonstrate that leadership promotes risk management, and that the Health Board has a risk management framework in place, supported by a range of strategies, policies and processes.

This year, feedback was obtained from risk leads and themed risk subject matter experts across the organisation in order to better inform the assessment on whether staff are equipped and supported to manage risk well. Feedback demonstrated that whilst staff are generally aware of the organisational objectives and its risk management strategies and policies and felt appropriately supported by the assurance and risk team, it identified opportunities to further enhance risk awareness across the wider organisation, and that local induction arrangements relating to risk management could be strengthened. Further work is also required to develop and enhance the role of risk management in its contribution to effective planning and target setting, and to better support the achievement of strategic and operational outcomes.

The assessment results will shape the revised Risk Management Strategy, which the Board will approve in September 2025. The current Risk Management Strategy, approved by Board in March 2024 can be read here: <https://hduhb.nhs.wales/risk-management-strategy/>. This strategy supports achieving strategic objectives and aligns with committee structures, the BAF, and the corporate risk register.

In 2024-25, the Health Board's new internal escalation framework improved risk management by focusing on how directorates manage risks in terms of scale, significance, timeliness, and quality. Risk reviews improved over the year, and only 11% risks were reported to need a review at the

end of the year. The new operational structure and governance arrangements will further enhance operational risk management.

Audit Wales reported in their structured assessment in 2024 that the Health Board has a sound corporate approach to managing risks, including its approach to overseeing its BAF, and an appropriate and up-to-date risk management framework in place.

11.5.18 Risk appetite

The Health Board's [Risk Appetite Statement](#) provides staff with guidance as to the boundaries on risk that are acceptable and provides clarification on the level of risk the Health Board is prepared to accept. It is integrated with the control culture of the organisation to encourage more informed risk taking at strategic level with more exercise of control at operational level, as well as recognition of the nature of the regulatory environment the organisation operates within.

During 2024-25, the Board reviewed and approved its [Risk Appetite Statement](#), which describes the level of risk it is willing to tolerate according to the type of risk presented, and in line with its capability to manage risk.

The Health Board approved a revised approach to risk tolerance at its Board meeting in March 2025, and will become operational during 2025-26. The target risk score demonstrates the lowest level of risk exposure that the Health Board is willing to tolerate, representing the ultimate level of risk achievable given available means and resource. Target risk scores should be quantified and aligned to performance targets where possible along with a set timescale for achieving the reduction of the current risk score to the target risk score.

The Health Board's capacity to manage risk continues to be impacted by financial and other resources. The aim is that this will support the further development of our roadmap to financial balance, while at the same time managing increasing demands on our services along with external challenges.

11.5.19 Risk management process

Our [risk management framework](#) supports the Health Board's risk management process. This is a continuous process that should methodically address all the significant risks associated with all the activities of the Health Board. All risks are assessed in terms of likelihood and impact using the Health Board's risk scoring matrix which helps to facilitate a level of consistency and understanding of the scoring and ranking of risks throughout the organisation.

Risks are identified in a bottom-up and top-down approach throughout the organisation. Each corporate and operational directorate must manage risks to meet their objectives, deliver safe services, and comply with standards. They must keep risks within the Board's agreed tolerance and escalate or de-escalate them as needed.

Communicating and consulting with internal and external stakeholders and partners is an important part of the risk management process. Many of our principal and corporate risks require us to work closely with partners to achieve our objectives and improve services for our population, as well as play an important role in helping us to address our risks. For instance, the new Joint

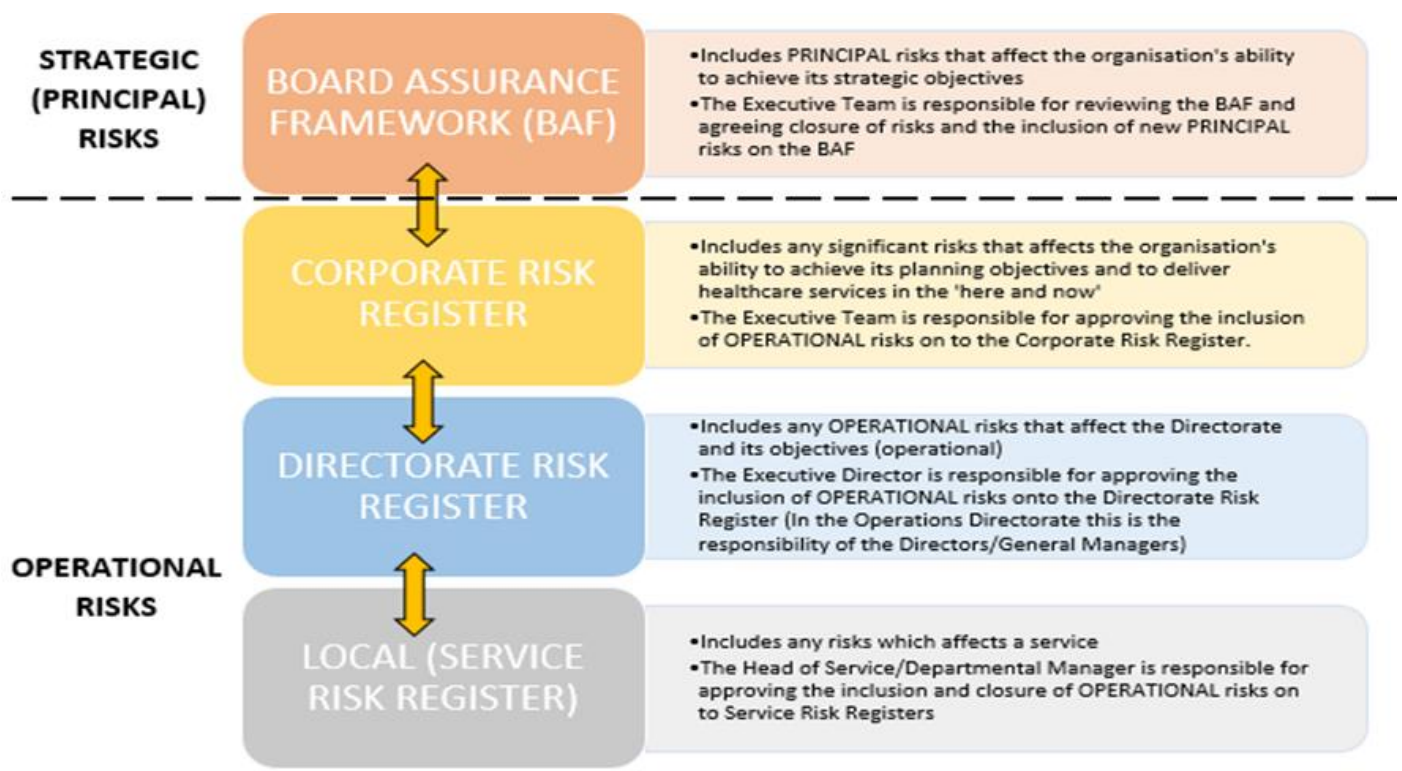
Regional Committee with Swansea Bay UHB will help us address some of our risks by working jointly to improve health and care for the joint population. For example, our risk related to the delivery of integrated community and acute unscheduled care services requires a whole system approach, and we have been working with our partners in Welsh Ambulance Services NHS Trust (WAST), local authorities and domiciliary providers to take forward work to try to improve flow within our hospitals.

Engagement of stakeholders has also taken place through multi-agency partnership working. The Regional Partnership Board, the Mid Wales Joint Committee for Health and Care and the Joint Regional Committee are part of the Health Board’s governance structure that helps to support the management of risk facing the organisation through collective dialogue.

The Executive Team identifies principal risks that may affect strategic objectives. These risks are refreshed annually after the Annual Plan is approved and are part of the BAF to support the Health Board's strategy and provide ongoing assurance.

Executive directors also identify significant operational risks for the Corporate Risk Register (CRR). These risks can be new or emerging and are agreed upon for entry into the CRR.

The chart below details how the CRR interacts with the principal risks on the BAF and the operational risks that are on directorate and service risk registers.



11.5.20 Oversight and reporting of risk

In following the 'Three Lines of Defence' model described above, the Health Board ensures that operational managers are supported in their role of day-to-day risk management by specialist functions who have expertise and knowledge to help them control risk.

Corporate and operational risks that are above the Health Board's current agreed tolerance level, are aligned to the its committees, whose role it is to provide assurance to the Board that risks are being managed appropriately. The approach to risk tolerance has been recently reviewed, along with its application of tolerance to ensure appropriate reporting to the Board's committees. These arrangements will take effect in 2025-26, with all operational risks being reported to the relevant committee which are either extreme or high scoring. The Executive Team review all corporate risks on a monthly basis and the principal risks on a quarterly basis.

11.5.21 Risk profile

The health and care system within Hywel Dda continues to face intense challenges, which are being felt across Wales, and across the NHS nationally. We are facing increasing system pressures, through an over reliance on hospital services is compounded by an ageing population and a rise in long-term conditions.

For us as a Health Board, the drivers of these pressures typically fall into the categories of workforce availability (including social care), affordability and cost of living, inflationary pressures on public finances, an ageing estate, population health and need for health care. These issues manifest as backlogs and delays to care for patients, the inability to achieve ministerial priorities, excessive strain on staff, reduced system efficiency and unprecedented financial pressures. These are reflected in our most significant operational risks which are outlined in the [CRR section](#) later in this report.

The Health Board's long-term strategy 'A Healthier Mid and West Wales' (AHMWW) was established with the clear objective of placing people and communities at the heart of our healthcare model. The BAF section below outlines the principal risks and plans in place for achieving its objectives.

11.5.22 Board Assurance Framework (BAF)

Our BAF reflects the revised strategic and planning objectives and is presented to the Board three times a year. The most recent BAF report can be accessed here: <https://hduhb.nhs.wales/board-assurance-framework-pdf/> and provides a link to our BAF dashboard. Audit Wales has identified the interactive BAF as a model of good practice. As well as identifying the principal risks to delivery of our objectives, the controls and assurances, the BAF also seeks to align outcomes against strategic objectives, and delivery against our planning objectives. The BAF will be updated in 2025/26 following the refresh of our 'A Healthier Mid and West Wales' strategy, and strategic objectives.

There are 15 principal risks that have been aligned to our six strategic objectives.

Total number of risks on BAF on 1 April 2024	16
New risks added during 2024-25	0
De-escalated/closed during 2024-25*	1
Total number of risks on BAF of 31 March 2025	15

* Risk 1187 “Strong enough reputation to attract partners to work with us” was closed, as it merged with risk 1188 “Effective leveraging within partnerships”.

The most significant risks to achieving our strategy are listed below:

- **Principal risk 1199 - achieving financial sustainability (risk score 25)**

Achieving financial balance over three years is a legal requirement for the Board and a clear expectation from the Welsh Government. While the Health Board has improved its operational planning and maturity, the underlying deficit remains a major concern. This deficit will affect future planning and move the Health Board further from the Welsh Government's financial targets.

The main causes of the deficit are well known, and we have detailed business intelligence to identify areas needing action. An internal escalation framework, working with the Improving Together programme, supports under-performing directorates to improve their financial plans and savings.

Throughout 2024-25, we have continued discussions with the Welsh Government to monitor and achieve a reduction in our monitoring status.

- **Principal risk 1196 - Insufficient investment in facilities / equipment / digital infrastructure (risk score 20)**

This risk reflects our challenge to invest in appropriate facilities, medical equipment and digital infrastructure to appropriate standards in order to provide safe, sustainable, accessible services. We have a programme group to oversee the production of our programme business cases (PBCs) to secure long term investment to support our health and care strategy. We are working with Welsh Government to refine the capital requirements that will be needed to address the significant risks that exist at present across the estates infrastructure, as a result of concerns around reinforced autoclave aerated concrete (RAAC), fire safety and business continuity in terms of viability.

Actions to manage and mitigate this risk includes progressing the business case process for implementation of ‘A Healthier Mid and West Wales Strategy’ and estates rationalisation, and progressing business continuity outline business cases to address major infrastructure backlog across our acute sites.

Further actions include the development of a primary care and community strategy, and progression and implementation of the digital strategic plan.

- **Principal risk 1192 - wrong value set for best health and well-being (risk score 16)**

This risk reflects that the Health Board may be seeing health and well-being purely through the healthcare services lens, using potentially narrow, and not the most appropriate measures, and not effectively engaging with individuals and communities.

We are still defining our approach to continuous engagement, our approach to tackling inequality/inequity, and our understanding of the social model of health and well-being and our arts in health, and what this means to our local population and communities. Well-being assessments are being updated by the Public Service Boards (PSBs) however, we do not currently have an effective method of measuring the well-being of individuals, communities, and our population.

A number of planning objectives for 2024-25 which underpin the management and mitigation of this risk were prioritised. These include the development and implementation of public health plans which empower and enable people to live healthy lives through health improvement initiatives, and the development of a Board and Welsh Government approved financial roadmap.

- **Principal risk 1197 – implementing models of care that do not deliver our strategy (risk score 16)**

We have completed a clinical review as requested by Welsh Government, with a strategic outline case (SOC) in progress to support the implementation of our strategy: 'A Healthier Mid and West Wales'. We are working with Welsh Government to scope out a strategic delivery programme.

Actions to address this risk include strengthening regional planning through the Mid Wales Joint Committee and the development of the Regional Joint Committee with Swansea Bay University Health Board (SBUHB), providing a set of plans for key clinical services to address critical sustainability risks up to the future hospital network, developing a primary care and community strategy, and implementing the digital strategic plan.

- **Principal risk 1198 - ability to support shifting of care in the community (risk score 16)**

Achieving our strategic objectives will depend on the ability to overcome complex and historical arrangements and systems. These will need be worked through to support a new approach to the delivery of care in line with our strategy, as well as a need to support the population in changing their behaviour and the way they have previously accessed services.

Actions to address this risk include the development of a primary care and community services strategy, and to develop and implement the transforming urgent and emergency care programme to deliver ministerial priorities by 2026.

- **Principal risk 1185 - Consistent and meaningful engagement through our workforce (risk score 16)**

Resources from the Engagement Team are focused on supporting the Clinical Services Plan and other service changes. It is recognised that a lack of resource will have an impact on the capacity of the engagement team to deliver continuous engagement expertise at a senior level and the operational capacity to deliver the full spectrum of engagement activities.

We are establishing an overarching programme of work for continuous engagement with a set of plans that make it easier for people to have conversations with us, ensuring our communities have a real influence on strategic direction.

- **Principal risk 1186 - attract, retain and develop staff with the right skills (risk score 15)**

Our most significant challenge is to maintain the right number of people to be able to deliver safe, effective and sustainable services. This is due to a number of factors, including geography, recognised national shortages in a number of professions, unappealing rotas and an ageing workforce that mirrors our population. Becoming an employer of choice and attracting people to work for Hywel Dda is therefore fundamental to the achievement of our workforce strategy, as is ensuring workforce planning and development identifies and supports the future capability we need.

Our plans to address this risk include achieving workforce sustainability through developing a workforce plan and delivering our targeted recruitment plan, retention plan and workforce education and development plan.

The heat map below presents our principal risks (by their internal reference number) in respect of their likelihood and impact as at the end of March 2025.

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

11.5.23 Corporate Risk Register (CRR)

The Health Board’s CRR contains significant operational risks to the delivery of healthcare in the here and now and is reported to every other Board meeting. Each risk has been mapped to a

Board level committee to provide assurance to the Board, through its update report, on the management of these risks.

During 2024-25, the CRR has been dynamic and responsive to new and emerging risks:

Total number of risks on CRR on 1 April 2024	23
New risks added during 2024-25	5
De-escalated/closed during 2024-25	7
Total number of risks on CRR of 31 March 2025	21

- **Risk of insufficiently skilled workforce to deliver services due to limited labour market (risk score 20)**

There is a scarce supply of healthcare professionals and a shrinking labour market, further exacerbated by the Health Board's current vacancy rates. Staffing levels (acute and community) continue to operate below established levels due to both vacancies and sickness/absence which is supplemented by additional hours, bank and agency. Further work has been undertaken to understand the level of risk across each staffing group (nursing, medical, allied health professionals and health care support workers).

Actions to mitigate the risk are being taken through stabilisation, Improving Together and workforce planning, to realign available workforce to new service design and models of care.

- **Risk to the delivery of timely urgent and emergency care due to demand exceeding current capacity across acute, primary care (including out of hours), community and social care services (risk score 20)**

Levels of urgent and emergency pathway capacity pressures continue at significantly escalated levels. Positive progress has been achieved in reducing ambulance handover delays and pathways of care delays during 2024/25, however Glangwili Hospital (GGH) remains a major pressure in the urgent and emergency care (UEC) system. Key performance indicators such as handover delays, 4 and 12 hour performance, bed occupancy rates, and significant pressures on wider community and social care capacity demonstrate a lack of sustainable improvement, and remain outside target requirements.

Actions to mitigate the risk include monitoring and delivery of six goals for urgent and emergency care programme and plan, and closer working with the Welsh Ambulance Services NHS Trust (WAST) and colleagues across primary care.

- **Risk to ophthalmology service delivery due to a national shortage of consultant ophthalmologists and the inability to recruit (risk score 20)**

Recruitment challenges, a lack of physical space, and the absence of effective clinical and administrative systems are impacting on our ability to deliver a sustainable ophthalmology service.

Increased demand and reduced capacity continue to be a challenge for the service, with the fragility of the service highlighted in its inclusion within our Clinical Services Plan.

Actions already undertaken to manage this risk include regional collaboration with SBUHB to strengthen pathways, and short-term funding obtained in order to reduce waiting lists. Active recruitment to vacancies is ongoing, including grow your own initiatives to both secure substantive consultants, and to develop consultants for the future.

Further actions to mitigate this risk include exploring regional solutions to workforce gaps and estates, the implementation of virtual review clinical for patients undergoing specific treatments, alignment in the Delivery of Eye Care Measures and Ministerial Measures, and management of ophthalmology waiting lists through the Regional Eye Care Programme. The implementation of a national electronic patient record for ophthalmology is unlikely to occur prior to 2027. Further funding may be required from the Health Board and SBUHB to implement this model.

- **Risk of timely diagnosis and treatment to mental health and learning disabilities clients due to demand and capacity (risk score 20)**

This risk reflects the length of time mental health and learning disabilities services (MHLDD) clients, specifically autism spectrum disorder (ASD) and attention deficit hyperactivity disorder (ADHD) clients, are waiting for timely assessment and diagnosis, and its impact on our ability to meet ministerial targets. This is caused by increasing referral rates, with demand outstripping capacity and lack of sustainable external funding.

Welsh Government provided additional funding to Health Boards and RPBs during 2024/25 to reduce waiting lists and to provide support for children and families who remain waiting for their assessment. The Health Board's funding allocation of £312k to help address the 3 years and over waits for diagnostic assessments in children and young people by March 2025 enabled the procurement of 182 diagnostic assessments with our current provider. An additional 100 diagnostic assessments were funded through Health Board slippage, whilst the RPB helped to fund the outsourcing of support services for children, young people and families who are currently on the waiting list, targeting longest waits.

In March 2025, the Board supported plans to pilot a rapid assessment to diagnosis pathway, develop digital options to improve effectiveness and work with partners to develop further actions to enable 'needs-led' approaches.

- **Risk to the ability to deliver ultrasound services due to workforce pressures (risk score 20)**

The ability to deliver a sustainable ultrasound service across the Health Board remains challenging as a result of national shortages of sonographers, recruitment challenges, and demand exceeding current capacity.

A review of demand and capacity undertaken during 2024/25 has informed the radiology directorate's annual plan for 2025/26. The plan sets out a three-year strategy to stabilise and

transform radiology services, ensuring that performance standards, notably the single cancer pathway (SCP) and 8 week diagnostic access, are achieved and sustainably maintained.

- **Risk of harm to staff, patients public and critical assets due to insufficient physical security measures and systems (risk score 16)**

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

- **Risk of business disruption and delays in patient care due to a cyber-attack (risk score 16)**

There are daily threats to systems which are managed by Digital Health Care Wales (DHCW) and the Health Board, with cyber-attacks becoming more prevalent.

Our Cyber Security Assurance Group provides assurance around cyber security remediation and to mitigate the cyber security risk, with software used across the organisation to ensure that the threat of a cyber-attack is reduced, and service business continuity plans in place. Regular monitoring of the cyber security position is undertaken via the Sustainable Resources Committee.

- **Risk of increasing fragility in primary care contractor services due to external factors (risk score 16)**

Contract reform against the background of significant pressures on the wider system and financial pressures for the independent contractor business model continue to have a detrimental effect on patients gaining timely access to local primary care services. Further challenges exist in relation to premises not being fit for purpose, and not having the capacity to flex to a more modern approach to service delivery.

A number of general medical services (GMS) and dental contracts have been returned to the Health Board during 2024/25, with other practices signalling they will return contracts once reform negotiations have concluded.

The reduction of this risk is subject to the development and agreement of a primary care and community strategic plan, alongside successful national contract negotiations and subsequent implementation across the primary care contractor professional groups.

- **Risk of not meeting the 75% Single Cancer Pathway (SCP) target for 2022 - 2026 due to diagnostics capacity and delays at tertiary centre (risk score 16)**

There is reduced capacity to meet the expected demand for diagnostics, treatment delays at our tertiary centre, and service fragility for key tumour sites.

Despite the improvement in performance during 2024/25, national targets are still not being achieved due to factors such as the legacy impact of radiology reporting delays, and workforce pressures, including the inability to secure locum cover.

Plans are in place to increase diagnostic capacity, utilising allocated recovery funding, including recovery plans for progressing additional CT scans. Radiology are working with cancer services and the National Health Service Executive (NHSE) to improve productivity and efficiency processes.

- **Risk of not being able to safely deliver services due to ageing estate and infrastructure across the Health Board (risk score 15)**

We are operating within an ageing estate infrastructure, some of which is beyond its life expectancy, impacting on our ability to deliver care in line with expected standards. This is exacerbated by the limited availability of capital funding to address concerns, with reliance on revenue funding to address emerging issues whilst attempts continue to address the significant backlog.

A programme business case has been developed to modernise the estate. NHS Wales Shared Services Partnership (NWSSP) has supported a three year investment programme for major infrastructure, with Welsh Government support funding obtained for the first of a three year plan in 2024/25 together with a small number of priority schemes.

- **Risk to the timely investment and replacement of radiology equipment and supporting infrastructure (risk score 16)**

There is a continued risk to the delivery of radiology services due to ageing equipment and its supporting infrastructure, resulting in delays in patient diagnosis and treatment, negatively impacting on cancer pathways.

The National Imaging and Capital Priorities Group supports a nationally sustainable and clinically focused capital equipment programme which will allow for timely equipment procurement and delivery to support healthcare demands. In addition, an equipment replacement programme is in place which is profiled by risk and usage, and service maintenance contracts are in place and reviewed regularly.

- **Risk to delivering effective and timely cancer service due to aseptic unit facilities being non-compliant with Quality Assurance of Aseptic Preparation Services (QAAPS) (risk score 15)**

Ageing equipment and facilities at our sole aseptic unit within the Health Board gives rise to the risk of non-compliance with regulatory standards. Outsourcing of cancer treatments from third party suppliers at a significant cost to the Health Board may become our only option should the unit be closed prior to the development of a regional hub for cancer treatment preparation in south-west Wales. The Transforming Access to Medicines (TrAMS) hub was originally estimated to open during 2028, however there have been delays to the project plan, and the opening date is currently unknown.

Current controls in place to mitigate this risk include the procurement of new pharmaceutical isolators, the transferring of the radio pharmacy service to Singleton Hospital, and stringent standard operating procedures (SOPs) in place to minimise the risk of contamination and errors. A revised business justification case for demountable unit has been submitted to Welsh Government for scrutiny following approval at the Board meeting in January 2025.

- **Risk of failure to fully comply with the requirements of the Regulatory Reform (Fire Safety) Order 2005 due to ageing infrastructure (risk score 15)**

Phased fire safety improvement works continue across the Health Board, with significant investments being made to address the recommendations as raised in Letters of Fire Safety Matters (LOFSM) and Enforcement Notices (ENs) previously issued by the Mid and West Wales Fire and Rescue Service (MWWFRS). All programme dates have been agreed with the Health Board, WG and MWWFRS senior inspecting officers.

Work continues to address the physical backlog, however, despite significant investments already in place, additional funding is required to address fire safety defects at all sites within the organisation to ensure full compliance with the order.

Actions being taken to further mitigate this risk includes the introduction of an interactive e-learning course for our staff, and the development of a training needs analysis.

- **Risk of being unable to safely support consultant on-call rotas at two hospital sites due to workforce pressures (risk score 15)**

This risk highlights the continued fragility of the general surgery consultant rota, particularly in relation to upper gastrointestinal. The service is included within our Clinical Services Plan to provide a safe and sustainable emergency general surgery service to patients in the south of the Health Board area.

Recommendations as raised in the Getting It Right First Time (GIRFT) report on general surgery are informing the longer-term sustainability of the on-call rota across the Health Board, the effectiveness of which depend on several factors including availability of a labour market.

- **Risk of poor patient outcomes and experience due to the inability to effectively recognise and manage acute deterioration (risk score 15)**

This risk reflects the Health Board's inability to effectively recognise and manage acute deterioration which could detrimentally affect patient outcomes and experience.

Controls in place to manage this risk include the Health Board's Recognition of Acute Deterioration and Resuscitation (RADAR) Group, and task and finish groups at specific sites where there are any significant concerns in order to address non-compliance with process and identified training gaps. The Health Board is also a member of the National Safe Care Collaborative.

Actions identified to further manage and mitigate this risk include the development of an audit tool to monitor compliance with required processes, collaborative working on a national level via the Safe Care Partnership, and the development of e-learning modules in conjunction with NHS Executive regarding sepsis, DNACPR and National Early Warning System (NEWS).

- **Risk of serious harm to staff due to violence and aggression in the workplace (risk score 15)**

Staff are at threat on a regular basis of serious harm due to assault. We have a violence and aggression risk assessment process, violent patient warning marker procedure and lone working policy to provide support and protection to our staff.

The Health Board’s Health and Safety Committee regularly receive reports on security arrangements, along with incidents data.

The heat map below presents the Health Board’s corporate risks (by their internal reference number) in respect of their likelihood and impact as at the end of March 2025:

Hywel Dda Risk Heat Map					
	LIKELIHOOD →				
Impact ↓	Rare 1	Unlikely 2	Possible 3	Likely 4	Almost Certain 5
Catastrophic 5		1843	1531 1745 813 1810 1859	1027	
Major 4			2000 1433	1978 1664 1861 684 1350 1352 1708	797 1032
Moderate 3				1821 1842	1860
Minor 2					
Negligible 1					

Further information on corporate risks in 2024-25 can be found in our Board papers, as follows:

- Corporate Risk Register Report at May 2024 Board meeting in public:
[hduhb.nhs.wales/about-us/your-health-board/board-meetings-2024/board-agenda-and-papers-30-may-20242/](https://www.hduhb.nhs.wales/about-us/your-health-board/board-meetings-2024/board-agenda-and-papers-30-may-20242/)
- Corporate Risk Register Report at September 2024 Board meeting in public:
[hduhb.nhs.wales/about-us/your-health-board/board-meetings-2024/board-agenda-and-papers-26-september-2024/board-agenda-and-papers-26-september-2024/3-4-corporate-risk-register-pdf/](https://www.hduhb.nhs.wales/about-us/your-health-board/board-meetings-2024/board-agenda-and-papers-26-september-2024/board-agenda-and-papers-26-september-2024/3-4-corporate-risk-register-pdf/)
- Corporate Risk Register Report at January 2025 Board meeting in public:
[hduhb.nhs.wales/about-us/your-health-board/board-meetings-2025/board-agenda-and-papers-30-january-2025/board-agenda-and-papers-30-january-2025/3-8-corporate-risk-register-pdf/](https://www.hduhb.nhs.wales/about-us/your-health-board/board-meetings-2025/board-agenda-and-papers-30-january-2025/board-agenda-and-papers-30-january-2025/3-8-corporate-risk-register-pdf/)

11.5.24 Emergency preparedness/civil contingencies

The Health Board had well established and tested emergency plans and business continuity arrangements in place during the financial year 2024-25, in accordance with the statutory duties under the Civil Contingencies Act 2004 and Emergency Planning Guidance issued by the Welsh Government. An annual Emergency Preparedness, Resilience and Response Report, signed by

our Chief Executive, was submitted to the NHS Executive in July 2024 detailing compliance, together with the latest version of the Health Board's Major Incident Plan which was last ratified by the Board in July 2024.

11.5.25 The control framework

• Performance management arrangements

The Improving Together Framework sets out the Health Board's approach to embedding performance improvement through our governance. The framework is enabled by data at every level to support decision making and to drive service change with the ultimate aim of improving outcomes for our patients, staff, visitors and those living within Hywel Dda. Its successful implementation is helping us to focus on what is important to the Health Board and enable us to provide efficient and effective services. The framework outlines performance improvement arrangements at each level in the organisation.

- At the most strategic level, the Board Assurance Framework (BAF) and Integrated Performance Assurance Report (IPAR) provide Board, Committees and the Executive Team with data and evidence to help us understand whether we are achieving and working towards the ministerial and local ambitions.
- We have established Directorate Improving Together Sessions to ensure that each directorate (operational and corporate) across the Health Board is making progress towards their key priorities and support is provided to help unblock issues where needed.
- Teams, wards and services across the Health Board are required to set their team vision, identify key improvement measures, hold regular improvement focused meetings, find ways to solve problems they face and share good practice with others.

In response to the Health Board being placed in Targeted Intervention early 2024, the Executive Team introduced an escalation framework in April 2024 which focused around six key domains for improvement: quality and safety, governance, workforce, finance, planning, strategy and fragile services and performance and outcomes, with directorates assigned one of the following escalation levels for each of the 6 improvement domains:

- Level 1: Reasonable assurance that the directorate can meet prescribed targets in a given domain within the year
- Level 2: Limited assurance that the directorate can meet prescribed targets in a given domain within the year
- Level 3: No assurance that the directorate can meet prescribed targets in a given domain within the year OR insufficient engagement with Targeted Intervention objectives

The escalation framework has had a positive impact in a number of areas such a reduction in the average time taken to investigate incidents/complaints, more timely updates of risks and risk/audit/inspection actions, and an increase in staff appraisal compliance.

In March 2025, the Improving Together Framework and the escalation framework were combined into a new *Our Improving Together Framework* which accommodates the new Clinical Care Group structure (see section 11.5.13). The new framework has introduced an additional improvement domain relating to population health. An extra escalation level has also been added:

- Level 4: No assurance and insufficient actions - the Executive lead for the escalated function and Domain Lead will attend a one-off Recovery Meeting with the Chief Executive Officer to determine next steps.

- **Quality governance arrangements**

Providing high quality care is an inherently complex and fragile process, which needs to be underpinned by robust quality governance arrangements. A key purpose of these quality governance arrangements, and our mechanisms to ensure we meet our duty of quality, is to monitor and, where necessary, improve standards of care.

Our Quality Management System (QMS) Strategic Framework was approved by our Board on 30 March 2023. This is our overarching formalised system that helps us achieve continuous improvement across the organisation. The QMS is supported in its delivery through several different mechanisms, some of which are described below. Further detail will be provided in our Annual Quality Report, our Putting Things Right Annual Report and our Duty of Candour Annual Report on our website at: <https://hduhb.nhs.wales/quality-and-engagement-act/>.

- **Quality, Safety and Experience Committee (QSEC)**

Quality governance is led by the Executive Director of Nursing, Quality and Patient Experience. Our QSEC provides timely evidence-based advice to the Board to assist it in discharging its functions and meeting its responsibilities with regards to quality and safety, as well as providing assurance in relation to improving the experience of all those that come into contact with our services. Reports presented to QSEC in 2024-25 are available on our website at: <https://hduhb.nhs.wales/quality-safety-and-experience-committee-qsec/>.

QSEC receive a regular assurance report which provides an overview of quality and safety across the Health Board. The Health Board uses several assurance processes and quality improvement strategies to ensure high quality care is delivered to patients. The report provides information on improvement work linked to themes within patient safety incident reporting, externally reported patient safety incidents, mortality reviews, and external inspections, for example Healthcare Inspectorate Wales (HIW).

QSEC is supported by two sub-committees:

- The Quality, Safety and Experience Sub-Committee (QSESC), which is responsible for monitoring the acute, mental health and learning disabilities services, primary and community services quality and safety governance arrangements at an operational level.
- The Listening and Learning Sub-Committee provides clinical teams across the Health Board with a forum to share and scrutinise learning from concerns, and to share innovation and good

practice. The learning may arise from a complaint, an incident, a claim, a patient story or experience feedback, external inspection and peer reviews.

- **Quality governance arrangements within our directorates**

During the year, our directorates have continued to strengthen the quality governance arrangements within their areas. Each directorate uses a standard terms of reference and agenda to ensure that all quality governance areas are considered. The directorates have provided regular reports on their activity to the Quality, Safety and Experience Sub-Committee.

With the introduction of a new Clinical Care Group structure in 2025-26, tools and processes have been developed to support the quality and governance arrangements. This includes

- Model terms of reference, which outline the responsibilities around performance management, risk assessment, and quality improvement
- Standard agendas, which provide a clear template for meetings to ensure consistent coverage of essential topics
- Action note templates. These standardised tools will minimise variability between Clinical Care Groups and encourage a shared organisational culture where transparency and accountability are the norm

- **Quality and safety intelligence meetings and quality panels**

The Executive Director of Nursing, Quality and Patient Experience, the Interim Executive Medical Director, and the Executive Director of Allied Health Professions and Health Sciences (the clinical Executive Directors) hold quality and safety intelligence meetings. The Quality, Safety and Intelligence Sub-Group ensures that the clinical Executive Directors are aware of, and have the opportunity, to review quality and safety intelligence data and discuss any patient safety related or other significant issues which have the potential to impact on quality and patient safety. The review of data is linked to the established escalation arrangements to improve the effectiveness of operational services, and ultimately the quality and safety of care.

- **Ensuring we consider quality when making strategic decisions**

During 2024-25, we introduced a new process to ensure we can demonstrate consideration of quality when making strategic decisions. A quality impact assessment was developed and a wrap-around governance process. The quality impact assessment uses the health care quality standards, and each domain is considered through a risk and mitigation lens. The quality impact assessment panel, which is comprised of the Executive Director of Nursing, Quality, and Patient Experience, the Executive Director of Allied Health Professions and Health Science, the Executive Medical Director, with other clinicians and experts, receive each quality impact assessment before the proposed strategic change is considered by the board for approval.

During the year, more than 40 quality impact assessments were presented to the panel for consideration. The assessments ranged from recruitment decisions to decisions relating to the Clinical Service Plan and changes to service delivery. This new process ensures that we consider each strategic decision and change through a quality lens.

- **Safety dashboard**

Our safety dashboard has continued to develop over 2024-25 to help identify potential patient safety issues. Operational leaders and managers continue to use it to identify safety hotspots needing further investigation/action, triangulate data at an operational level, facilitate further discussion or escalation, support deep dives, benchmark against our services to help identify outliers and inform report and papers. The dashboard has been used to inform discussions at our QSEC meetings, executive team meetings and the Improving Together sessions.

- **Healthcare Inspectorate Wales (HIW)**

The Board is provided with independent and objective assurance on the quality, safety and effectiveness of the services it delivers through reviews undertaken by and reported on by HIW. The outcomes of any such reviews and any emanating improvement plans are discussed with any lessons learnt shared throughout the Health Board.

During 2024-25, HIW published three reports following assurance and inspection work in our Health Board. The work involved a variety of off-site checks and on-site work. There was one ionising radiation inspection, no reviews in an acute hospital setting, and two review in a mental health and learning disability service.

Improvement and learning actions plans are implemented following each assurance and inspection HIW visit. Delivery of the action plans are monitored through directorate quality and governance arrangements, through QSESC, QSEC and the Audit and Risk Assurance Committee. The themes arising from HIW visits are also reported to the Listening and Learning Sub Committee and also QSEC. A HIW SharePoint site has been developed to ensure that the themes arising are readily available across the organisation. The Health Board has also strengthened its relationship with HIW through regular meetings with its HIW engagement partner.

- **Clinical audit**

The Clinical Audit Programme for 2024-25 saw a reduction in the number of local audits in favour of national projects. This reflects a more standardised approach to clinical audit projects and will allow for benchmarking practice across Wales and England. Re-audits continue to be carried out in the Health Board, demonstrating a commitment to long-term improvements and sustained levels of assurance. New audits are still being developed where service areas are identifying a particular shortfall or are seeking assurance that service changes are meeting professional guidelines.

Most national clinical audits and outcome reviews are in progress in the Health Board, with any areas of concern being investigated and supported by the Clinical Audit Scrutiny Panel, as well as the Clinical Director for Clinical Audit. The Clinical Audit Department is working with the services involved to drive increased participation and improvements and examples of this have been achieved in 2024-25. New methodologies and reporting structures are currently being piloted to ensure that the value of clinical audit projects are fully recognised.

The Clinical Audit Department is now implementing the audit management and tracking software (AMAT). The system has over 1700 users and is continuing to expand. All projects are now

captured by this system, greatly increasing transparency and accountability. Improvement activity is also monitored through this system and the full audit cycle is being captured. AMAT as a data collection platform is continuing to be utilised and this feature will be expanded over the coming months to include many more audit projects covering the whole of the Health Board.

The Clinical Audit Department has continued with the programme for whole hospital audit meetings which includes two annual whole Health Board meetings. These are chaired by the Clinical Director for Clinical Audit and focus primarily on the mandatory national audits outlined by the Welsh Government, as well as appropriate local projects that have a wide-reaching impact. Whilst these forums only capture a small number of audit projects there are many more audit forums where audit projects can be presented. The Clinical Audit Department are also involved with other events to support the use of clinical audit as part of other initiatives such as Quality Improvement and Clinical Effectiveness work streams.

- **Information governance (IG) arrangements**

HDUHB have well-established arrangements through an information governance framework to ensure that information is managed in line with relevant information governance law, regulations, and Information Commissioner's Office (ICO) guidance. The framework includes the following:

- An Information Governance Sub Committee (IGSC) to support and drive the information governance (IG) and cyber security agenda and provide the Health Board with the assurance that effective IG and cyber security best practice procedures are in place within the organisation
- A Caldicott Guardian who is the responsible person for protecting the confidentiality of patient and service-user information and enabling appropriate information sharing
- A Senior Information Risk Owner (SIRO) who is responsible for setting up an accountability framework within the organisation to achieve a consistent and comprehensive approach to information risk assessment
- A Data Protection Officer (DPO) whose role it is to ensure the Health Board is compliant with data protection legislation
- Information Asset Owners (IAOs) are in place for all service areas and information assets held by the Health Board. They have been assisting the IG team in a programme of compiling a full asset register for the Health Board, where all information asset registers have been now drafted
- The Information Asset Owners Group, Caldicott Guardian Group and Cyber Security Assurance Group have been established and meet regularly throughout the year to support the IGSC.

We have responsibilities in relation to freedom of information, data protection, subject access requests and the appropriate processing and sharing of personal identifiable information.

Assurances that the organisation has compliant IG practices are evidenced by:

- quarterly reports to the IGSC, including key performance indicators
- a detailed operational IG compliance work plan, taken to IGSC quarterly, detailing progress made against actions required to ensure compliance with data protection legislation

- a suite of IG and information security policies, procedures and guidance documents
- IG intranet pages for Health Board staff for guidance and awareness
- a comprehensive bi-annual mandatory IG training programme for all staff, including proactive targeting of any staff non-compliant with their IG training
- a robust management of all reported personal data breaches, including proactive reporting to the ICO
- regular monitoring of the Health Board's systems for inappropriate accesses to patients' personal data through the National Intelligent Integrated Audit Solution (NIAS) platform
- an Information Asset Register (IAR) used to manage information across the Health Board, and
- escalating all IG issues through the Sustainable Resources Committee. The Committee papers can be viewed here: <https://hduhb.nhs.wales/sustainable-resources-committee-src/>.

NIAS, which audits staff access to patient records, has been fully implemented within the organisation, with an associated training programme for staff and procedures for managing any inappropriate access to records. In addition to the above training, there are regular staff communications, group training sessions, as well as IG drop-in sessions held across the Health Board. Posters, leaflets and staff briefings have all been used to disseminate information to staff around the importance of confidentiality, appropriate access to patient records and ensuring information is shared in an appropriate way.

During 2024-25, the IG team carried out audits across Health Board sites including Glangwili, Withybush, Bronglais and Prince Philip hospitals. The purpose of the audit has been to identify any information governance, information security and patient confidentiality risks to seek assurance that the relevant procedures and protocols in relation to information governance have been adhered to and that actions are being taken to protect data and assets held. Following the information audits, reports were issued with recommendations.

As a Health Board we have undertaken a full review of our position against the Welsh Information Governance Toolkit and the assessment has demonstrated a very good level of assurance of information governance risks.

Over the past 12 months, HDUHB has maintained a compliance rate of 77.92% with information governance, records management and cyber security training. We continue to reinforce awareness of key principles of data protection legislation. This includes the overarching principle that users must only handle data in accordance with people's data protection rights.

11.5.26 Planning arrangements

We remain committed to the principles of our "A Healthier Mid and West Wales" strategy while recognising that deeper structural changes are needed to secure sustainable services for our population. The strategy marked a deliberate shift from a hospital-based model to one that emphasises wellness, prevention and care provided closer to home. While the original vision remains valid, the passage of time, delays in capital investment, and the substantial impacts of the recent Covid-19 pandemic necessitate a considered review of our route to realising these aspirations. In 2025-26, the Board will undertake a thoughtful and necessary refresh of the

strategy which will reaffirm our commitment to building healthier communities and better health outcomes across Mid and West Wales.

As a Health Board we have a statutory duty to develop a three-year Integrated Medium-Term Plan (IMTP) to deliver care and support the health of our population within the resource envelope provided by the Welsh Government. Since its formation, Hywel Dda University Health Board has regrettably never been able to submit an IMTP, primarily due to our inability to breakeven. This is a breach of our statutory duty and therefore an unacceptable position for ourselves and the Welsh Government.

Following agreement at the January 2024 Board meeting, the Health Board wrote to the Welsh Government on 16 February 2024, to provide formal notification through an accountability letter that unfortunately the Health Board would not be in a position to submit a financially balanced IMTP by the end of March 2024. Instead, we would produce an Annual Plan for 2024-25.

The plan was our initial step towards realising these aspirations, describing the key objectives and deliverables for the next 12 months and laying the foundations for further progress beyond that. It was however acknowledged that the in-year financial deficit remained unacceptable, and further work would be required during the year, with clear progress expected in the first quarter.

The plan for 2024-25 was intentionally more focused on a smaller set of objectives (termed the planning objectives, (POs)) and on delivery over the shorter-term. Consequently, our plan prioritised POs aligned to the Welsh Government Planning Framework, the Ministerial Priorities and the key programmes of work required to address the significant risks identified above. The plan was submitted to the Welsh Government in March 2024.

Although progress has been made in controlling variable pay and meeting targeted savings schemes, Hywel Dda still carries a substantial financial deficit, preventing it from submitting a fully approved three-year IMTP. Alongside improvement performance, the Health Board is expected to demonstrate credible progress toward financial balance by 2027-28, including working to a £31.55m control total for 2025-26.

Navigating these cost pressures means prioritising investments in areas that will generate the strongest returns, from digital prescribing systems that reduce medication errors to reconfigured community hospitals that unlock capacity in busy acute sites. The Board's longer-term route map to financial recovery also underscores the need for ongoing service change—particularly around consolidating acute services where necessary and channelling more resources into prevention and community-based pathways, which can lower recurrent hospital costs over time.

The decision to frame the 2025-26 Annual Plan within a three-year horizon reflects the reality that quick operational improvements need to be backed up by deeper, structural change. While the Board's immediate goals such as clearing 52-week outpatient waits, improving urgent care handovers, and moving closer to 80% on the Single Cancer Pathway are challenging on their own, they form part of a roadmap designed to bring lasting gains to patients and staff.

Much hinges on integrating plans across different domains: workforce, finances, clinical models, and digital transformation. By ensuring each improvement links up coherently rather than creating

isolated, short-lived fixes the Board aims to sustain the gains of Year 1 TI, deal head-on with the remaining bottlenecks, and embed the type of best practice that will see Hywel Dda leave TI in a stronger position. Ultimately, demonstrating consistent improvements over the next 12 months will be central to building trust with communities, WG, and staff themselves that the Health Board is truly on a path to long-term success

Despite our Annual Plan for 2025-26 meeting the target control total of £31.5m, the underlying financial trajectory indicates a deterioration from the forecast £24m deficit in 2024-25 to a similar or worse position in 2025-26. Moreover, several strategic-objective milestones are not fully delivered in the current submission. Taken together, these factors signal that the plan's financial assumptions require further strengthening and de-risking to secure a sustainable improvement trajectory towards in year balance by 2027-28.

Accordingly, the Health Board is required to:

- Revise and de risk the recurrent savings programme so as to exceed the 2024-25 control total and reverse the projected financial deterioration in 2025-26.
- Produce an options appraisal for each outstanding strategic-objective target, setting out the impact, resource implications and implementation timelines.
- Establish a clear, milestone driven road map, with assigned accountabilities, to achieve in year financial balance by 2027-28.

11.5.27 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 were issued with two new enforcement notices by Mid and West Wales Fire and Rescue Service (MWWFRS) during 2024-25, however on a positive note, two enforcement notices were closed, and we continue to address the two outstanding enforcement notices. One relates to the completion of Phase 2 works at Glangwili Hospital with a completion date of December 2027 proposed by the Health Board to MWWFRS and agreed in principle. The other enforcement notice

relates to the completion of Phase 2 works at Withybush Hospital, which has a proposed completion date of August 2027, agreed in principle between the Health Board and MWWFRS.

Extensive fire safety improvement works continue to be undertaken at Withybush, Glangwili and Bronglais hospitals with Welsh Government funding, with regular progress updates reported to the Health and Safety Committee, which provides assurance to the Board on the work undertaken towards improving compliance.

- **Equality, diversity, and inclusion**

We are committed to putting people at the centre of everything we do. This means thinking about people as individuals and taking a person-centred approach, so that everyone is treated fairly, with integrity, dignity and respect, whatever their background and beliefs. Our vision is to create an accessible and inclusive organisational culture and environment for everyone. This includes staff, those who receive care (including their families and carers), as well as partners who work with us - whether 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.
- 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.

The Health Board has established an independent member-led equality, diversity and inclusion taskforce to drive a set of actions to improve equity across the Health Board.

- **Equality objectives**

For details of our Strategic Equality Plan and objectives and progress outlined in the annual reports, visit <https://hduhb.nhs.wales/about-us/governance-arrangements/equality-diversity-and-inclusion/equality-diversity-and-inclusion-documents/>.

Key highlights for 2024-25 include:

- 57 equality, diversity and inclusion (EDI) training sessions have been offered to staff on a range of topics. These have included formal training delivered by external training providers, webinars and in-house training delivered by Health Board staff. Training sessions included anti-racism for practitioners, active bystander, trans awareness and disability awareness
- The diversity and inclusion team worked with the people development team to deliver training programmes with a focus on inclusive leadership to new and aspiring leaders. The aim of

these modules is to equip staff in leadership roles with the skills and knowledge to implement best practice and demonstrate respectful and non-discriminative values.

- We remain committed to conducting appropriate equality impact assessments to support good governance and decision making and this work is closely linked with our commitment towards continuous engagement. We have developed additional resources to support the completion of EqIA's including guidance documents and an information video. 222 equality impact assessments have been undertaken during 2024-25.
- We produced a short information video to highlight some of the key achievements included in our 2023-24 Strategic Equality Annual report to our staff and wider public and members of our 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 (LRF) severe weather arrangements. These arrangements cover four elements: flooding, severe winter weather, heatwave, and drought. The arrangements cover elements such as risk, alerting mechanisms, multi-agency command and control structures, warning and informing and training/exercising.

- **Data security**

We have adopted and implemented a robust procedure for managing personal data breaches across the organisation, that ensures incidents are reported in line with statutory requirements and lessons are learnt to improve future practice. We have had contact with the Information

Commissioner's Office (ICO) in relation to 4 incidents during the year (self-reported by the Health Board). Incidents involved:

- access to medical records by unauthorised individuals
- information disclosed in error

One incident has been closed by the ICO with no further action required and three incidents are still being investigated by the ICO.

Additionally, the cyber security team continues to provide security architecture advice, ensuring designs follow security best practice and follow the requirements of the Network and Information Systems Regulations (NISR). The cyber security team has also made progress with the tools and capabilities available to Hywel Dda. NISR is designed to protect critical national infrastructure against cyber-attacks. This regulation applies to all parts of the UK and EU and came into force in May 2018, alongside the UK GDPR/Data Protection Act. As part of NHS Wales, the Health Board is an operator of essential services and has a legal obligation to comply with NISR.

- **Quality of data**

We are committed to ensuring the quality and robustness of our data through regular checks that assure the accuracy of the information we rely on. Due to the multiplicity of systems and data sources across the organisation, there is always potential for variations in quality and scope for improvement. We have an ongoing data quality improvement plan that routinely assesses, and puts in place measures which will improve, the quality of our data across key clinical systems.

High-quality clinically coded data plays a fundamental role in the management of hospitals and services. Coded data underpins much of the day-to-day management information used within the NHS and supports healthcare planning, resource allocation, cost analysis, assessments of treatment effectiveness, and serves as an invaluable starting point for many clinical audits. We have invested in the development of new coding staff within our service, and while the completeness of data within one month of discharge was only 88% during the year, we have a trajectory which indicates that the 95% will be sustainably achieved by Autumn 2025. Internal Audit undertook a review of the structures and processes for ensuring data quality during 2024-25, which provided limited assurance. Whilst there are good processes in place, persistent data quality issues were identified due to a lack of accountability at service level, where the data quality issues originate, but are not adequately addressed. A plan has been developed to address the matters raised, with Internal Audit reviewing progress in 2025-26. From April 2025, oversight of data quality will be undertaken by the new Digital, Data and Innovation Committee.

Efforts continue to reduce reliance on physical case notes and promote the use of electronic documentation in line with the development of the Clinical Record Keeping Policy. Work is also underway to explore opportunities presented by automation of the coding processes, and the use of Artificial Intelligence (AI). Both initiatives will further support the improvement of clinical coding data and its applications.

- **Ministerial directions**

The Welsh Government has issued a number of non-statutory instruments during 2024-25. Details of these and a record of any ministerial direction given is available via the following link:

<https://www.gov.wales/publications>

A schedule of the directions, outlining the actions required and our response to implementing these was presented to the ARAC as an integral element of the suite of documents evidencing governance of the organisation for the year. From this work it was evidenced that we were not impeded by any significant issues in implementing the actions required as has been the situation in previous years. All directions issued have been fully considered by the Sustainable Resources Committee on behalf of the Board, and, where appropriate, implemented (see [Appendix 4](#)).

In accordance with a ministerial direction issued on 18 December 2019, the Welsh Government has taken action to support circumstances where pensions tax rules are impacting upon clinical staff who want to work additional hours, and have determined that clinical staff who are members of the NHS Pension Scheme and who, as a result of work undertaken in the 2019-20 tax year, face a tax charge on the growth of their NHS pension benefits, may opt to have this charge paid by the NHS Pension Scheme, with their pension reduced on retirement.

The Welsh Government, on behalf of the Health Board, will pay the members who opt for reimbursement of their pension a corresponding amount on retirement, ensuring that they are fully compensated for the effect of the deduction.

A Scheme Pays provision of £707k has been included in the 2024-25 Annual Accounts (2023-24: £633k).

- **Welsh health circulars**

Welsh health circulars (WHCs) are published by the Welsh Government to provide a streamlined, transparent and traceable method of communication between NHS Wales and NHS organisations. WHCs relate to different areas such as policy, performance and delivery, planning, legislation, workforce, finance, quality and safety, governance, information technology, science, research, public health and letters to health professionals. Details of WHCs are available via the following link: <https://www.gov.wales/health-circulars>

These are assigned to a lead director who is responsible for the implementation of required actions, and progress updated via AMAT. The Board has designated oversight of this process to board level committees, with an end-of-year report provided to the ARAC.

11.5.28 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. 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

11.5.29 Internal audit

Internal Audit (IA) provide me as accountable officer, and the Board through the audit committee, with a flow of assurance on the system of internal control. I have commissioned a programme of audit work which has been delivered in accordance with public sector internal audit standards by the NHS Wales Shared Services Partnership. The scope of this work is agreed with the audit committee and is focused on significant risk areas and local improvement priorities.

The overall opinion by the Head of Internal Audit on governance, risk management and control is a function of this risk-based audit programme and contributes to the picture of assurance available to the Board in reviewing effectiveness and supporting our drive for continuous improvement.

The internal audit plan has needed to be agile and responsive to ensure that key developing risks are covered. The Head of Internal Audit meets weekly with the Director of Corporate Governance/Board Secretary and when required, the Executive Director of Finance to discuss and consider any changes to the internal audit plan, either to accommodate fluctuations in operational demand or changing priorities.

As a result of this approach and, with the support of officers and independent members across the Health Board, the plan has been delivered substantially in accordance with the agreed schedule and changes required during the year.

11.5.30 Head of Internal Audit opinion

The Head of Internal Audit is satisfied that there has been sufficient internal audit coverage during the reporting period in order to provide the Head of Internal Audit Annual Opinion. In forming the opinion, the Head of Internal Audit has considered the impact of the audits that have not been fully completed.

The Head of Internal Audit has concluded for 2024-25:

To be confirmed pending completion of remaining audits

In reaching this opinion the Head of Internal Audit has identified that ...**to be finalised when Head of Internal Audit has finalised the opinion for 2024-25**

Summary of 2024-25 audit assurance ratings:

To be confirmed pending completion of remaining audits

Overall, IA has provided the following assurances to the Board that arrangements to secure governance, risk management and internal control are suitably designed and applied effectively in the areas in the table below.

Summary of audits 2024-25: (to be finalised following completion of outstanding audits)

Substantial Assurance	Reasonable Assurance
<ul style="list-style-type: none"> • Digital benefits realisation • Cash management • Performance management • Elective waiting list management 	<ul style="list-style-type: none"> • Nurse Staffing Levels (Wales) Act 2016 • Falls management • Emergency and business continuity planning • Speaking Up Safely • Energy management • Capital systems • Targeted Intervention governance • Consultant job planning follow-up • Financial management • Lessons learnt
Limited Assurance	Advisory/Non-Opinion
<ul style="list-style-type: none"> • Nursing management • Discharge management follow-up • Management of bed capacity • Mortuary services • Health and safety • Data quality 	<p><i>None</i></p>
No Assurance	
N/A	

While there were no audited areas that resulted in no assurance, the following audit reports were issued with a conclusion of limited assurance:

- **Nursing management**

This audit reviewed the systems in place for rostering and absence management. Three high priority findings were identified, including annual leave utilisation outside of the permitted tolerance, lack of evidence to demonstrate agency use approval in line with the new escalation process and lack of evidence to demonstrate that sickness absence is being managed in accordance with the all-Wales Managing Attendance at Work Policy. This will be followed up in 2025/26.

- **Discharge management follow-up**

This audit sought to provide assurance on the controls and processes in place for the safe and efficient discharge of patients, including progress in implementing the actions agreed with management to address the issues identified in the previous 2023-24 audit report. Whilst positive progress was noted, with two of the four management actions implemented from the previous report, limited assurance was concluded. Two high priority recommendations were raised relating to incomplete and inaccurate information retained on within the Frontier system, and instances of limited discharge planning documentation within manual and electronic systems.

- **Management of bed capacity**

This audit sought to provide assurance on the arrangements of established bed capacity baselines, and the allocation and utilisation of beds including the use and de-escalation of surge beds. Whilst positive actions had been undertaken to remodel ward established core bed numbers and reducing surge beds at Withybush General Hospital as part of the Targeted Intervention programme, four high priority recommendations were raised within the report. These related to minimal evidence to support established core bed numbers for Section 25A wards, variances in the established core bed numbers, multiple sources of established core bed numbers with varying figures, and a lack of a formal service change process, and interpretation of surge and 'flex' beds potentially leading to variances in established core bed numbers. Internal Audit will review the implementation of the recommendations in 2025-26.

- **Mortuary services**

This audit was a joint review of arrangements in place between Swansea Bay University Health Board and the Health Board to support the effective provision of mortuary services, ensuring compliance with Human Tissue Authority regulations. The review concluded that despite the commitment of the Regional Pathology Programme Director and efforts of other staff, progress with taking the programme forward has been slow due to funding and staff capacity issues. Four high priority recommendations were raised for the attention of both Health Boards, including the need to strengthen documentation of roles and responsibilities, a review of the programme management structure for the mortuary element of the Regional Pathology Programme to ensure clarity, the impact of funding issues on the ability to deliver the Programme, and a need to review governance structures to ensure they are effective and provide sufficient oversight over the

mortuary element of the Programme. Internal Audit will review the implementation of the recommendations in 2025-26.

- **Health and safety**

This audit reviewed the arrangements for ensuring compliance with Health and Safety regulations. Two high priority recommendations were raised relating to the insufficient monitoring of actions arising from health and safety site visits and the significant volume of outstanding actions and weaknesses in the methodology for their prioritisation, and gaps in assurance reporting to the Health and Safety Committee. This will be followed up in 2025/26.

- **Data quality**

This audit reviewed the structures and processes for ensuring data quality within the Health Board. Limited assurance was concluded, primarily due to persistent data quality issues within the Health Board, despite the Information Quality Assurance (IQA) team having good processes in place. The primary concern lies with a lack of accountability at service level, where data quality issues originate but are not being adequately addressed. Consequently, the IQA team’s resources are constrained to overseeing ongoing issues in one key system, leaving them unable to manage or improve data quality across other systems. Matters requiring management attention included resources needed to fully implement and maintain data quality standards across all Health Board systems; lack of accountability for data quality within service areas; absence of data quality metrics to aid performance monitoring, and the absence of a formal Information / Intelligence Strategy to ensure a coordinated and systematic approach to utilising intelligence across teams and services. This will be followed up in 2025/26.

All limited assurance reports are subject to follow up reviews and these will form part of the 2025-26 Internal Audit plan if they have not already been followed up.

The Welsh Government are also provided with regular reports on our progress on addressing limited assurance reports and the learning from them.

Management responses that detail the actions to address gaps in control were included in all final IA reports presented to ARAC with assurance on progress on implementing the recommendations provided to the Committee via the Audit Assurance Report. The minutes and all final IA reports can be found within the ARAC section of the website: <https://hduhb.nhs.wales/about-us/governance-arrangements/board-committees/audit-and-risk-assurance-committee-arac/>

Where audit assignments planned, this year did not proceed to full audits following preliminary planning work, these were either removed from the plan, and replaced with another audit, or deferred until a future audit year.

The following audits were deferred: **(to be finalised following completion of outstanding audits)**

Review Title	Reason

Audit Wales reviewed our progress against recommendations made in previous reports and issued three new recommendations in the structured assessment for 2024. These related to the Improving Together Framework, Quality Improvement Strategic Framework, and well-being objectives and strategy refresh.

During 2024-25, Audit Wales also completed the following reviews:

- Audit of the Charitable Funds Accounts 2023-24
- Audit of the Annual Report and Accounts 2023-24
- Review of Operational Governance Arrangements across Service Directorates
- Review of Cost Savings Arrangements Report

11.5.32 Conclusion (To be confirmed following HOIA being finalised)

The Health Board was unable to produce a financially balanced IMTP for 2024-25. This was a breach of two statutory duties for both finance and planning and is an unacceptable position for both ourselves and Welsh Government. This along with other issues contributed to the Health Board being put into TI across all six domains of the Welsh Government oversight and escalation framework for 2024-25, reflecting significant challenges across key performance areas, service and workforce fragilities and a substantial financial deficit. However, in recognition of our considerable progress during the year, I was delighted to learn in March 2025 that the Health Board had been de-escalated for Child and Adolescent Mental Health Services, Planned Care, Governance and Leadership, with these all moved from targeted intervention to enhanced monitoring status (Level 4 to Level 3). This has demonstrated that focused, structured planning can drive real change, and we remain focused on addressing the areas that still require improvement.

The Health Board's structured assessment in 2024 undertaken by Audit Wales provided a positive view of the organisation's corporate arrangements to support good governance and the efficient, effective, and economical use of resources in most areas. It was pleasing to note the Audit Wales's recognition that, despite our significant performance and financial challenges, our corporate arrangements are generally effective, notwithstanding the three recommendations issued this year relating to:

- Improving Together Framework
- Quality Improvement Strategic Framework
- Well-being objectives and strategy refresh.

In response to previous recommendations from Audit Wales, the operational directorate structure was reviewed during 2024-25 to strengthen our leadership capacity and implement a more effective operational structure. The implementation of Clinical Care Groups represents a transformative change in our operational structure, designed to enhance governance, improve performance, and deliver better outcomes for patients.

Revised governance arrangements to support the new structure were also put in place to ensure there was consistency and standardisation. These new arrangements, implemented from 1 April 2025, will strengthen the flow of information from the new clinical care groups to the executive team and Board.

During 2024-25, we have proactively identified areas requiring improvement and requested Internal Audit to undertake detailed assessments in order to manage and mitigate associated risks. Several reports issued by Internal Audit concur with our view and have consequently provided the Health Board with clear recommendations to ensure that focused and urgent management actions are in place to address identified shortcomings.

The Health Board received **xx Internal Audit reports** with a limited assurance rating during 2024-25. This has resulted in the Head of Internal Audit issuing **a xxxxxx assurance rating**. Robust action plans have been agreed to address the recommended areas of improvement, with follow-up reviews to ensure appropriate action is taken. **(To be confirmed following HOIA being finalised)**.

As a board, we have continued to make progress against our strategic objectives, and during 2025-26 intend to undertake a strategic refresh of our A Healthier Mid and West Wales Strategy partly in response to changing capital assumptions, post-pandemic pressures, and the time elapsed since the current strategy was approved. Building on the enduring principles of the original strategy, the refresh is designed to refine our approach while preserving our core commitments.

We will be able to measure our effectiveness through further de-escalation and our new board maturity matrix. This year provides a baseline to improve upon, through the delivery of our Annual Plan which outlines clear priorities and measurable targets across urgent and emergency care, planned care and diagnostics, mental health, workforce stabilisation and financial recovery. While we operate within financial constraints, we remain focused on quality improvement, innovation, and transforming care pathways. Our plan describes our key objectives and deliverables for the next 12 months and lays the foundations for further progress beyond that.

Based on the above, I have therefore, concluded, that Hywel Dda University Health Board has:

- improvements to make to its system of internal control to enable it to identify and prioritise the risks to the achievement of the policies, aims and objectives
- to evaluate the likelihood of those risks being realised and the impact should they be realised, and
- to manage them efficiently, effectively, and economically

Signed by:

Professor Philip Kloer

Chief Executive Officer

Date: 26 June 2025

Appendix 1 - Board and committee membership and the record of attendance for the period 1 April 2024 – 31 March 2025

Name	Position and area of representation	Board committee membership and record of attendance	Champion role
Dr Neil Wooding	Chair from 1 June 2024	Board (Chair) 6/6 RTSC (Chair) 6/6	Raising concerns (staff)
Judith Hardisty	Interim Chair until 31 May 2024	Board (Chair) 2/2 RTSC (Chair) 1/1	Raising concerns (staff)
Eleanor Marks	Vice Chair (Mental health, learning disabilities, primary care and community services)	Board (Vice-Chair) 7/8 ARAC 8/8 HSC 5/6 MHLC (Chair) 2/4 SDODC 5/6 SRC 7/7	Mental health Carers
Cllr Rhodri Evans	Independent Member (Local authority)	Board 8/8 ARAC (Chair) 8/8 PODCC 5/6 RTSC (Vice-Chair) 6/7 SDODC 6/6	Equality
Anna Lewis	Independent Member (Community)	Board 6/8 CFC 3/4 PODCC (Vice-Chair) 6/6 QSEC (Chair) 6/6 RTSC 5/7	Duty of Quality and Duty of Candour Speaking up safely
Chantal Patel	Independent Member (University)	Board 6/8 Ethics Panel (Chair) 3/3 HSC 2/2 PODCC (Chair) 5/6 QSEC 4/6	Infection prevention and control Putting Things Right
Winston Weir	Independent Member (Finance)	Board 6/8 ARAC (Vice-Chair) 5/8 MHLC 1/4 SDODC 5/6 SRC (Chair) 7/7	
Maynard Davies	Independent Member (Information technology)	Board 8/8 ARAC 8/8 SDODC (Chair) 6/6 SRC (Vice-Chair) 6/7 RTSC 6/7	Older persons
Michael Imperato	Independent Member (Legal)	Board 7/8 ARAC 7/8 SDODC (Vice Chair) 5/6 SRC 6/7	

Iwan Thomas	Independent Member (Third sector)	Board 6/8 CFC (Vice-Chair) 3/4 HSC 4/6 MHLC (Vice-Chair) 4/4 QSEC 0/6 SRG 0/2	
Delyth Raynsford	Independent Member (Community)	Board 8/8 CFC (Chair) 4/4 HSC (Vice-Chair) 4/6 PODCC 6/6 QSEC (Vice-Chair) 6/6 SRC 6/7	Welsh language Armed Forces and veterans Children and young people
Ann Murphy	Independent Member (Trade union)	Board 8/8 CFC 3/4 HSC (Chair) 6/6 MHLC 4/4 PODCC 6/6 QSEC 6/6 SPF 5/5	
Michael Gray	Associate Member	Board 4/8	
Jeremy Hockridge	Associate Member	Board 0/8 SRG 1/4	
Professor Philip Kloer	Interim Chief Executive Officer until 21 October 2024	Board 5/5 RTSC 1/1	Welsh language
	Chief Executive Officer from 22 October 2024	Board 3/3 RTSC 6/6	Welsh language
Lisa Gostling	Executive Director of Workforce and Organisational Development/ Interim Deputy Chief Executive Officer until 1 December 2024	Board 6/6 PODCC 4/4 RTSC 3/3 SPF 4/4	
	Executive Director of Workforce and Organisational Development/ Deputy Chief Executive from 2 December 2024	Board 2/2 PODCC 2/2 RTSC 2/2 SPF 1/1	
Mark Henwood	Interim Executive Medical Director	Board 7/8 Ethics Panel 3/3 PODCC 6/6 QSEC 5/6 SRC* 2/7	Caldicott Guardian

Huw Thomas	Executive Director of Finance	Board 8/8 ARAC 8/8 CFC 4/4 SDODC 6/6 SPF 1/5 SRC 7/7	
Sharon Daniel	Interim Executive Director of Nursing, Quality and Patient Experience	Board 8/8 CFC 4/4 HSC 4/6 PODCC 6/6 QSEC 6/6 SPF 5/5 SRC* 5/7	Violence and Aggression Children and Young People
James Severs	Executive Director of Therapies and Health Science	Board 8/8 HPF 2/2 HSC 6/6 PODCC 4/6 QSEC 6/6 SPF 4/5	
Andrew Carruthers	Executive Chief Operating Officer	Board 8/8 HSC 5/6 MHLC 1/4 QSEC 6/6 SDODC 6/6 SPF 4/5 SRC 6/7	Fire safety
Lee Davies	Executive Director of Strategy and Planning	Board 8/8 SDODC 6/6 SPF 1/5	
Dr Ardiana Gjini	Executive Director of Public Health	Board 7/8 HSC 5/6 PODCC 6/6 QSEC 6/6 SDODC 6/6 SRG 2/2	Emergency planning
Joanne Wilson	Director of Corporate Governance/Board Secretary	Board 8/8 ARAC 8/8 HSC 6/6 PODCC 6/6 SDODC 6/6 QSEC 6/6 RTSC 7/7 SRC 7/7	Counter fraud
Jill Paterson	Director of Primary Care, Community and Long-Term Care	Board 7/8 QSEC 6/6 SDODC 6/6 SRC 6/7	

Alwena Hughes-Moakes	Communications and Engagement Director	Board 7/8 PODCC 5/6 SRG 4/4	
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*Only one Clinical Executive Director is required to attend the meeting.

Deputy representation for executive directors is included in figures above.

Appendix 2 – Table of quoracy

The following table outlines dates of Board and committee meetings held during 2024-25, with all meetings being quorate:

Month	Board	Audit and Risk Assurance Committee	Charitable Funds Committee	Health and Safety Committee	Mental Health Legislation Committee	People, Organisational Development and Culture Committee	Strategic Development and Operational Delivery Committee	Sustainable Resources Committee	Quality, Safety and Experience Committee	Remuneration and Terms of Service Committee
Apr24	10.04.24 (e)	16.04.24				15.04.24	25.04.24	30.04.24	09.04.24	
May24	30.05.24	09.05.24 (e)		07.05.24						16.05.24
Jun24		18.06.24	21.06.24		07.06.24	13.06.24	27.06.24	25.06.24	11.06.24	
Jul24	11.07.24 (e) 25.07.24	09.07.24		09.07.24						
Aug24		13.08.24				20.08.24	29.08.24	27.08.24	15.08.24	
Sep24	26.09.24		17.09.24	10.09.24	03.09.24					10.09.24
Oct24		15.10.24				29.10.24	31.10.24	22.10.24	08.10.24	22.10.24
Nov24	28.11.24			12.11.24						15.11.24
Dec24		10.12.24	13.12.24		02.12.24	16.12.24	19.12.24	17.12.24	05.12.24	02.12.24 18.12.24
Jan25	30.01.25			14.01.25						
Feb25		11.02.25				18.02.25	27.02.24	25.02.24	13.02.25	06.02.25
Mar25	27.03.25		18.03.25	04.03.25	11.03.25					

(e) – Extraordinary meetings

Appendix 3 - A summary of key items considered by Committees in 2024-25

In line with the terms of reference for all Committees, there are standard agenda items that are presented for assurance, for approval and for information by all Committees to ensure they are meeting the aims and objectives which are aligned to the Committee.

Where there is a Sub Committee aligned to the Committee, regular update reports are presented for assurance and information to ensure services are being managed effectively and efficiently across the whole Health Board.

Audit and Risk Assurance Committee (ARAC)

The role of the Audit Committee is to advise and assure the Board, and the accountable officer, on whether effective arrangements are in place to support them in their decision taking and in discharging their accountabilities in accordance with the standards of good governance determined for the NHS in Wales. Items considered:

- Review of committee terms of reference
- Self-assessment of committee effectiveness report
- Changes to standing orders and standing financial instructions
- Changes to scheme of delegation
- Escalation status update reports
- IA plans were submitted to each meeting providing details relating to outcomes, key findings and conclusions (see [Internal Audit section](#))
- Audit Wales reports on current and planned audits
 - Audit Wales reports on structured assessment,
 - follow up review of primary care,
 - review of operational governance arrangements across service directorates,
 - review of cost savings arrangements report
- Post payment verification report
- Counter fraud (CF) reports including
 - NHS CF Authority SRT return,
 - Guidance on offence of failure to prevent fraud
 - Annual review of requisitions
 - Annual report and forward workplan
- Annual accounts, accountability and remuneration reports for 2023-24
- Financial assurance reports including single tender actions, special losses and payments
- Review of summary of single tender actions
- Non-clinical temporary staff/agency spend report
- Industrial action payments report
- Audit, inspectorate and regulator assurance reports
- Risk assurance reports
- Risk management strategy
- Clinical audit assurance reports

- Declarations of interest and gifts and hospitality report
- Self-assessment of committee effectiveness report
- Welsh Health Circular compliance report
- Contract and procurement processes report
- Review of the standard operating procedure for managing board and committees

Agendas and papers are available on the following link: [Audit and Risk Assurance Committee \(ARAC\) - Hywel Dda University Health Board](#)

Charitable Funds Committee (CFC)

The CFC is charged with providing assurance to the Board in its role as corporate trustees of the charitable funds (CF) held and administered by the Health Board. It makes and monitors arrangements for the control and management of the Board's charitable funds within the budget, priorities and spending criteria determined by the Board and consistent with the legislative framework. Items considered:

- Review of committee terms of reference
- Self-assessment of committee effectiveness report and action plan
- Charitable Funds Sub Committee update reports (including terms of reference and annual report)
- Charitable funds risk reports
- Integrated Hywel Dda Health Charities performance reports
- Hywel Dda Health Charities Expenditure Plan
- Review of the Rationalisation of Charitable Funds
- Annual governance and support costs associated with the running of the charity
- Approval of charitable funds expenditure over £50,000
- Review of the support for life response fund.
- Update on the hydrotherapy pool: JC Williams (Elizabeth Williams Endowment) Trust Fund
- Annual review of expenditure eligibility criteria
- Hywel Dda Health Charities performance reports
- Review of the cost benefit of the fundraising team
- Charitable Funds annual accounts report for 2023-24
- Investment advisor performance updates
- Evaluation reports of expenditure approved by the Charitable Funds Committee
- Approval of policies and procedures relating to charitable funds
- Overview of HDdUHB Capital Programme

Agendas and papers are available on the following link: [Charitable Funds Committee \(CFC\) - Hywel Dda University Health Board](#)

Health and Safety Committee (HSC)

The HSC provides assurance on the arrangements for ensuring the health, safety, welfare and security of all employees and of those who may be affected by work-related activities, such as patients, members of the public, volunteers, contractors etc.

It provides advice on compliance with all aspects of health and safety legislation, as well as advises and assures the Board on whether effective arrangements are in place to ensure organisational wide compliance of the Health Board's health and safety policy, approves and monitors delivery against the Health and Safety Priority Improvement Plan and ensures compliance with the relevant Standards for Health Services in Wales. It also provides assurance on the Health Board's Emergency Management Plan. Items considered:

- Review of committee terms of reference
- Committee self-assessment outcomes report and action plan
- Committee annual report
- Health and Safety Sub-Committee update reports (including terms of reference)
- Staff/patient stories
- Corporate and operational risk reports
- Health and Safety related policies and procedures for approval
- Health and safety update reports
- Health and safety governance review and updates
- Security management updates
- Fire management updates
- Fire safety training updates
- Fire safety audit system (Boris) update reports
- Estates management safety reviews
- RAAC update reports
- RIDDOR: 6-monthly updates and all Wales report
- PREVENT and CONTEST: 6-monthly updates.
- Major Incident Annual Plan: 2024-25
- Estates low voltage (lv) electricity compliance update
- WHTM (Welsh Health Technical Memorandums): 6-monthly update report
- Health and Safety Internal Audit report
- Health and safety training compliance update
- Control of Substances Hazardous to Health (COSHH) update and training compliance report
- Occupational health report (needlestick injuries)
- Maintaining traffic flow outside PPH report
- Diff X cleaning agent: assurance report
- Martyn's Law/Terrorism Protection of Premises Bill report
- Health and Safety Regulations updates
 - Bariatric compliance (Manual Handling Operations Regulations 1992) report
 - Display Screen Equipment compliance report
 - Control of Vibration at Work Compliance report
 - Working at height compliance report
- Critical threat level response framework

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

Mental Health Legislation Committee (MHLC)

The MHLC assures the Board that those functions of the Mental Health Act 1983 as amended, which have been delegated to officers and staff, are being carried out correctly, and that the wider operation of the 1983 Act in relation to the Health Board's area is operating properly, the provisions of the Mental Health (Wales) Measure 2010 are implemented and exercised reasonably, fairly and lawfully, the Health Board's responsibilities as hospital managers are being discharged effectively and lawfully, and that the Health Board is compliant with the Mental Health Act (MHA) Code of Practice for Wales.

The MHLC also advises the Board of any areas of concern in relation to compliance with mental health legislation and agrees issues to be escalated to the Board with recommendations for action. Items considered:

- Review of committee terms of reference
- Self-assessment of committee effectiveness report and action plan
- Committee annual report
- Mental Health Legislation Scrutiny Group (MHLSG) update reports (including terms of reference)
- Hospital Manager's Power Discharge Sub-Committee update reports (including terms of reference)
- Patient stories
- Policies and procedures for approval
- Mental Health Act reports
- Mental Health (Wales) Measure 2010 reports
- HIW MHA inspection reports and action plans
- Corporate and operational risk reports
- Assurance on implementation of HIW, and other external scrutiny bodies action plans
- Sub-committee and group structure
- Assurance on compliance with mental health legislation
- Out of area placements reports
- HIW MHA Annual Report
- Mental health law briefings
- New legislation/policy guidance reports

Agendas and papers are available on the following link: [Mental Health Legislation Committee \(MHLC\) - Hywel Dda University Health Board](#)

People, Organisational Development and Culture Committee (PODCC)

PODCC was established to receive an assurance on all relevant planning objectives falling in the main under strategic objective 1 (putting people at the heart of everything we do), objective 2 (working together to be the best we can be), and objective 3 (striving to deliver and develop excellent services).

The committee has a focus on education and development of staff, recruitment, retention and talent management, becoming an employer of choice, performance and quality management systems, business intelligence capabilities and improvement training, patient experience, engagement and empowerment, workforce related policies, diversity and inclusion, carers support, regulatory and professional bodies compliance, arrangements to support ongoing transformation and board assurance framework development and research, development and innovation planning/deliver. Items considered:

- Review of committee terms of reference
- Self-assessment of committee effectiveness report and action plan
- Committee annual report
- Research and Innovation Sub Committee update reports (including terms of reference and annual report)
- Research and Innovation Sub Committee University Partnerships Update
- Strategic People Planning and Education Group update reports (including terms of reference and annual report)
- BAME Advisory Group Mid-Year Review (including bullying and harassment update and anti-racist Wales action plan)
- Anti Racist Wales Implementation Group updates (including terms of reference)
- Staff stories relating to managing performance, experience and impact of participation in staff networks, staff retention (“why I stayed”), apprenticeships within Hywel Dda University Health Board, physician associates in primary care.
- Corporate and operational risks
- Corporate and employment policies for approval
- Welsh Health Circulars (WHCs)
- Monitoring of Ministerial Directions
- Targeted Intervention progress report
- Discovery report and action plan
- Annual carers report
- Workforce efficiency report
- Employment law reports
- Employment reduction: deep dive
- Employee relations report
- Community nursing annual report/ community staffing update
- Speak up safely working group 6-monthly reports
- Impact of government immigration rule changes
- Medical workforce performance and mandatory training report
- Staff Partnership Forum updates
- Trade union update
- Staff survey results report
- Implementation of the non-pay deal
- Welsh Language annual report and updates

- Welsh Language and culture discovery report
- Increase in stress amongst staff: deep dive
- LGBTQ+ action plan updates
- Culture progression report
- Armed forces annual update
- Planning objectives reports (workforce plan, recruitment plan, retention plan, workforce education and development plan)
- Strategic equality plan annual report
- Research and Development Framework Annual Update
- Research and Development Strategy Review
- Tritech business plan
- Integrated performance assurance reports
- HEIW targeted visits report
- Research and development framework update
- Corporate and employment policies for approval
- Contractual and legislative change updates
- Outcome of Advisory Appointments Committee updates

Agendas and papers are available on the following link: [People, Organisational Development and Culture Committee \(PODCC\) - Hywel Dda University Health Board](#)

Quality and Safety Experience Committee (QSEC)

The QSEC is responsible for providing evidence based and timely advice to the Board to assist it in discharging its functions and meeting its responsibilities about the quality and safety of healthcare and services provided and secured by the Health Board. It provides assurance to the Board in relation to the organisation's arrangements for safeguarding vulnerable people, children and young people and improving the quality and safety of healthcare to meet the requirement and standards determined for the NHS in Wales. Items considered:

- Review of committee terms of reference
- Self-assessment of committee effectiveness report and action plan
- Committee annual report
- Quality, Safety and Experience Sub-Committee update reports (including terms of reference and annual report)
- Listening and Learning Sub-Committee update reports (including terms of reference and annual report)
- Patient/staff stories
- Corporate risk reports
- Policies for approval
- Targeted Intervention progress report
- Behaviours framework report
- Fragile services update report
- Learning framework report

- Revised operational governance arrangements
- Duty of Quality assurance reports incorporating:
 - External inspection and peer reviews
 - Nurse Staffing Act assurance
 - Walk arounds
 - Quality improvement outcomes
 - Quality impact assessments
 - Putting things right
 - Health Care Acquired Infections (HCAI)
 - Duty of Candour
 - Learning from significant events
 - Speak Up reports on quality themes
 - Paediatrics service changes BGH
 - WHC overview
 - National Nosocomial COVID-19 programme end of programme learning report
- Duty of Quality and Candour Annual Report 2024
- Nurse Staffing Levels (Wales) Act:
 - Assurance reports
 - Annual report 2023/24 and spring calculation cycle
 - Nurse staffing levels impact of reduction of agency and bank Staff on quality, safety and patient experience interim report
 - Patient acuity - Welsh levels of care impact on nurse staffing levels
- Quality Engagement Act
- Internal Audit urgent and emergency care (UEC) discharge management report
- Paediatric occupational therapy referral to treatment time action plan update
- Mental health and learning disabilities and public health - Review of unexpected deaths to ascertain changes in patterns or trends.
- Understanding the quality and experience impact realised to date through transforming UEC
- Thematic report on care home fragilities and closures including the impact on length of stay at hospitals for patients and quality assurance for out of area referrals.
- Primary care quality and safety governance and HIW inspection reports
- Withybush Creche Care Inspectorate Wales inspection and action plan
- Rheumatology deep dive
- Cleanliness Standards Internal Audit report and action plan
- Integrated quality impact assessment process and terms of reference
- NHS Executive review of neurodevelopment service, psychology and psychological intervention for children and young people
- Upper GI surgery (quality panel)
- Community nursing
- Nosocomial Review
- COVID-19 review action plan - learning shared.

- Obstetrics sonography (Quality Panel)
- Compliance with Additional Learning Needs Act
- Allergies testing service
- Autism Spectrum Disorder (ASD) assessments for Children and Young People (CYP)/ young adults
- Getting It Right First Time (GIRFT) report orthopaedic updates
- Infected Blood Inquiry findings
- GIRFT report general surgery
- Veteran health
- Oncology deep dive
- Stroke services access times
- Impact of RAAC – metrics
- Pembrokeshire child practice review
- Corporate and operational risks
- Assessing and prioritising fragile services
- Sub-committee update reports
- HIW annual report
- Welsh Health Specialised Services Committee Quality Patient Safety Joint Chairs Report
- JCC Quality Safety Outcomes Sub Committee report
- Patient experience reports

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

Strategy Development and Organisational Delivery Committee (SDODC)

SDODC was established to receive an assurance on all relevant planning objectives falling in the main under strategic objective 4 (the best health and well-being for our individuals, families, and our communities) and strategic objective 5 (safe, sustainable, accessible, and kind care). The committee has a focus on NHS Delivery Framework requirements, public health, health inequalities and screening services, Transformation Fund, delivery of the 'A Healthier Mid and West Wales Strategy' and Bronglais Hospital plan, Transforming Mental health and Transforming Learning Disabilities plans, integrated locality plans, children's and young people plan, out-of-hours care, national clinical audits compliance, fragile services plans, care home/domiciliary care market support and development. Items considered:

- Review of committee terms of reference
- Self-assessment of committee effectiveness report and action plan
- Committee annual report
- Capital Sub Committee (including terms of reference and annual report)
- Corporate and operational risk reports
- Corporate policies
- Welsh Health Circular updates
- Ministerial Directions report
- Planning Objective reports (including end of year closure report)

- Targeted Intervention and annual plan updates
- Integrated performance assurance reports (IPAR)
- Commissioning Reports
- A Healthier Mid and West Wales update reports
- Health improvement and well-being strategic plan
- Well-being and Future Generations Act (WBFG) annual report
- Primary Care Integrated Medium Term Plan (IMTP) Report
- Ophthalmology performance: Getting it Right First Time (GIRFT) Reports
- Pharmaceutical needs assessment: six months review report
- Community and long term care quarterly service reports
- Pharmaceutical needs assessment review
- Cluster Integrated Medium Term Plan monitoring report
- Electronic Prescribing Medicines Administration (EPMA) report
- Capital programme reports
- Cross Hands Health and Well-being Centre Business Case
- Sexual Assault Referral Centre (SARC) Business Justification Case
- WGH Fire Safety Matters Business Justification Case
- Planning in partnership: Regional Integration Fund update
- ARCH update
- Public health return on investment: smoking, drugs and alcohol
- Well-being of Future Generations well-being objectives annual report
- Energy performance contract, heat network efficiency scheme report
- Additional funding requirements for planned care waiting list recovery
- Regional orthopaedics model
- Waiting list report
- Deep dive reports
 - Primary Care and Community Strategic Plan
 - A Healthier Mid and West Wales Infrastructure
 - Six Goals Programme
 - Mental Health and Child and Adolescent Mental Health (CAMHS)
 - Population Health
 - Planned Care Updates
 - Clinical Services Plan
 - Emergency Care Programme
 - Community Strategic Plan

Agendas and papers are available on the following link: [Strategic Development and Operational Delivery Committee \(SDODC\) - Hywel Dda University Health Board](#)

Sustainable Resources Committee (SRC)

SRC was established to receive an assurance on all relevant planning objectives falling in the main under strategic objective 6 (sustainable use of resources), with a focus on financial plans and delivery of the route map to financial recovery, improving value, PROMS/FROMS roll-out and

impact, carbon reduction and green health initiatives, foundational economy work, national IT programmes delivery, and budget setting. Items considered:

- Review of committee terms of reference
- Self-assessment of committee effectiveness report and action plan
- Committee annual report
- Information Governance Sub-Committee update reports (including terms of reference and annual report)
- Decarbonisation Task Force Group update reports (including terms of reference and annual report)
- Digital Oversight Group update (inc terms of reference and annual report)
- Corporate and operational risk reports
- Ministerial Directions
- Welsh Health Circulars
- Planning objectives update reports
- Finance targeted intervention actions
- Financial procedures
- Integrated performance assurance report (IPAR)
- Capital financial management updates
- Financial activity, productivity and efficiency reports
- Deep dives
 - Pembrokeshire integrated system
 - nursing and medical workforce
 - medicines value and sustainability
 - non-pay and procurement, commissioned care
 - clinical variation and service configuration
 - Savings plan
 - Medicines management
- Deficit drivers annual refresh
- Financial plan and strategy
- Monthly finance reports
- Savings and opportunities report
- Core Delivery Group and Financial Control Group update
- Financial recovery/in-year savings programme
- Financial outlook 2024-25
- Long term agreement outlook 2024-25
- Procurement plan
- Healthcare contracting and commissioning update
- Consultancy reviews
- Balance sheet report
- Internal Audit report on financial systems, financial managements and controls
- Digital transformational partner report

- Digital inclusion
- Digital Maternity Business Case
- Digital Cellular Pathology BJC
- Cyber security updates
- Patient Flow and Electronic Observations Business Case
- Picton Terrace – Welsh Government Building Report
- Pentre Awel Development report
- Social value and carbon reports
- Public sector emissions report
- Value based health care updates
- Net Zero Quantitative Report
- Quarterly NWSSP performance reports

Agendas and papers are available on the following link: [Sustainable Resources Committee \(SRC\) - Hywel Dda University Health Board](#)

Appendix 4 – Ministerial Directions

Ministerial Directions (MDs)	Date/Year of adoption	Action to demonstrate implementation/response
2021. No.59 – The Directions to Local Health Boards and NHS Trusts in Wales on the Delivery of Autism Services 2021	July 2021	This Ministerial Direction is currently being implemented, with an implementation date of October 2025. The Health Board continues to work with the Regional Partnership Board (RPB) in the development and delivery of the Code of Practice Implementation Plan which requires a multi-agency response to address the recommendations outlined in the code.
2023. No.8 – Local Health Boards and NHS Trusts reporting on the introduction of new medicines into the National Health Service in Wales Directions 2023	March 2023	This Ministerial Direction is currently being implemented and aligned with Welsh Health Circular 032-22 relating to the extension of the use of Blueteq in secondary care. There is a delay in the implementation of this Ministerial Direction on an All-Wales basis, with discussions ongoing nationally to resolve and progress.
2023. No.27 – The Primary Care (E-Prescribing Pilot Scheme) Directions 2023	June 2023	This Ministerial Directions came into force in June 2023, with overall responsibility for implementation by Digital Health Care Wales (DHCW). The Health Board is represented on DHCW's advisory group overseeing this Ministerial Direction. Progress in implementing the Ministerial Direction is reliant on national roll-out.
2024. No.6 - The National Health Service Joint Commissioning Committee (Wales) Directions 2024	February 2024	This Ministerial Direction has been enacted.
2024. No.9 – Local The National Health Service (Wales Eye Care Services) (Wales) (No. 2) Directions 2024	March 2024	This Ministerial Direction has been enacted.

2024. No.10 - Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 2) Directions 2024	April 2024	This Ministerial Direction has been enacted.
2024. No.17 – The Managed Introduction of New Medicines Into The NHS in Wales Directions 2009 Amendment) (Wales) Directions 2024	April 2024	This Ministerial Direction has been enacted.
2024. No.25 – The Primary Medical Services (Antivirals for Prophylaxis of Seasonal Influenza in Care Home Outbreaks) (Directed Supplementary Service) (Wales) Directions 2024	June 2024	This Ministerial Direction has been enacted.
2024. No.20 – The Primary Medical Services (Directed Supplementary Services) (Wales) Directions 2024	June 2024	This Ministerial Direction has been enacted.
2024. No.24 – The Primary Medical Services (Hormone Treatment Scheme for Adult Transgender Patients) (Directed Supplementary Service) (Wales) Directions 2024	June 2024	This Ministerial Direction has been enacted.
2024. No.22 – The Primary Medical Services (Influenza and Pneumococcal Immunisation Scheme) (Supplementary Services) (Wales) Directions 2024	June 2024	This Ministerial Direction has been enacted.
2024. No.23 – The Primary Medical Services (Oral Anti-coagulation with Warfarin) (Directed Supplementary Service) (Wales) Directions 2024	June 2024	This Ministerial Direction has been enacted.
2024. No.21 – The Primary Medical Services (Pertussis Immunisation for Pregnant and Post-natal Women) (Directed Supplementary Services) (Wales) Directions 2024	June 2024	This Ministerial Direction has been enacted.
2024. No.26 – The Primary Medical Services (Type 2 Diabetes Mellitus Care Scheme for Adults) (Directed Supplementary Service) (Wales) Directions 2024	June 2024	This Ministerial Direction has been enacted.

2024. No.28 – The Alternative Provider Medical Services (Wales) Directions 2024	July 2024	This Ministerial Direction has been enacted.
2024. No.38 – The Primary Care (Contracted Services: Immunisations) (RSV) Directions 2024	August 2024	This Ministerial Direction has been enacted.
2024. No.39 – The Directions to Local Health Boards and NHS Trusts in Wales on the National Framework for Commissioning Care and Support 2024	August 2024	This Ministerial Direction has been enacted.
2024. No.42 - The Pharmaceutical Services (Clinical Services) (Wales) (Amendment) Directions 2024	September 2024	This Ministerial Direction has been enacted.
2024. No.43 – Statement of Financial Entitlements (Amendment) (No. 3) Directions 2024	October 2024	This Ministerial Direction has been enacted.
2024. No.26 – Statement of Financial Entitlements (Amendment) (No. 4) Directions 2024	November 2024	This Ministerial Direction has been enacted.
2024. No.49 – The Local Health Board Medical Services (Wales) Directions 2024	December 2024	This Ministerial Direction has been enacted.
2024. No.53 – The Primary Medical Services (Complex Multi-Morbidity and Frailty) (Directed Supplementary Service) (Wales) Directions 2024	December 2024	This Ministerial Direction has been enacted.
2025. No.2 - The Directions to Local Health Boards as to the General Dental Services Statement of Financial Entitlements (Amendment) Directions 2025	January 2025	This Ministerial Direction has been enacted.
2025. No.3 - The Directions to Local Health Boards as to the Personal Dental Services Statement of Financial Entitlements	January 2025	This Ministerial Direction has been enacted.
2025. No.4 - The Directions to Local Health Boards as to the General Dental Services Statement of Financial	January 2025	This Ministerial Direction has been enacted.

Entitlements (Amendment) (No.2) Directions 2025		
2025. No.5 - The Directions to Local Health Boards as to the Personal Dental Services Statement of Financial Entitlements (Amendment) (No.2) Directions 2025	January 2025	This Ministerial Direction has been enacted.
2025. No.6 – Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) Directions 2025	February 2025	This Ministerial Direction has been enacted.
2025. No 7 - The Directions to Local Health Boards as to the General Dental Services Statement of Financial Entitlements (Amendment) (No.3) Directions 2025	February 2025	This Ministerial Direction has been enacted.
2025. No 8 -The Directions to Local Health Boards as to the Personal Dental Services Statement of Financial Entitlements (Amendment) (No.3) Directions 2025	February 2025	This Ministerial Direction has been enacted.

11.6 Remuneration and Staff Report

11.6.1 Remuneration Report

The Remuneration Report contains information about senior manager’s remuneration. The definition of ‘senior managers’ is:

“Those persons in senior positions having authority or responsibility for directing or controlling the major activities of the NHS body. This means those who influence the decisions of the entity as a whole rather than the decisions of individual directorates or departments.”

Remuneration and Terms of Service Committee (RTSC)

The RTSC will comment specifically upon the following:

- 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
- The objectives for executive directors and other VSMs and their performance assessment
- The performance management systems in place for those in the positions mentioned above and its application
- The proposals to make additional payments to medical consultants outside of normal terms and conditions
- The proposals regarding termination arrangements, ensuring the proper calculation and scrutiny of termination payments in accordance with the relevant Welsh Government guidance
- The consideration and ratification of voluntary early release (VER) scheme applications and severance payments in respect of executive director posts, in line with standing orders and extant Welsh Government guidance. The committee will be advised also of all VER scheme applications and severance payments, and
- The approval of the Health Board’s honours submission recommendations

The membership of the RTSC committee during 2024-25 was as follows:

Name	Position	Role on RTSC
Judith Hardisty	Interim Chair until 31 May 2024	Chair until 31 May 2024
Neil Wooding	Chair from 1 June 2024	Chair from 1 June 2024
Rhodri Evans	Independent Member and Chair of ARAC	Vice-Chair
Anna Lewis	Independent Member and Chair of QSEC	Member
Maynard Davies	Independent Member and Chair of SDODC	Member

• Independent members’ remuneration

Remuneration and tenures of appointment for independent members is decided by the Welsh Government.

• Senior managers’ remuneration

The remuneration of senior managers who are paid on the very senior managers pay scale is determined by the Welsh Government and the Health Board pays in accordance with these regulations. For the purpose of clarity, these are posts which operate at board level and hold either statutory or non-statutory positions. In accordance with the regulations, the Health Board can award incremental uplift within the pay scale and, should an increase be considered outside the range, a job description is submitted to the Welsh Government for job evaluation. There are clear guidelines in place with regards to the awarding of additional increments and during the year there have not been any additional payments agreed. No changes to pay have been considered by the committee outside these arrangements. The Health Board does not have a system for performance related pay for its very senior managers.

The Health Board can confirm that it has not made any payment to past directors as detailed within the guidance.

The Health Board issues all Wales executive director contracts which determine the terms and conditions for all very senior managers. The Health Board has not deviated from this. In rare circumstances where interim arrangements are to be put in place a decision is made by the committee with regards to the length of the interim post, whilst substantive appointments can be made.

Any termination payments would be discussed and agreed by the committee in advance and where appropriate the Welsh Government’s approval would be made. No termination payments were made during 2024-25 or the prior year, 2023-24.

Service contract details for senior managers:

Name	Position	Date of Contract	Date of Expiration	Compensation for early termination
Philip Kloer	Interim Chief Executive Officer	01/02/2024	21/10/2024	N/A
	Executive Medical Director/Deputy Chief Executive	22/10/2024	N/A	N/A
Lisa Gostling	Executive Director of Workforce and Organisational Development and Deputy Chief Executive Officer*	09/01/2015	N/A	N/A
Mark Henwood	Interim Executive Medical Director	05/02/2024	Until substantive appointment has been made**	

Sharon Daniel	Interim Executive Director of Nursing, Quality and Patient Experience	01/01/2024	Until substantive appointment has been made***	N/A
Ardiana Gjini	Executive Director of Public Health	01/07/2023	N/A	N/A
James Severs	Executive Director of Therapies and Health Science	06/11/2023	N/A	N/A
Huw Thomas	Executive Director of Finance	10/12/2018	N/A	N/A
Andrew Carruthers	Chief Operating Officer	01/12/2019	N/A	N/A
Lee Davies	Executive Director of Strategic Development and Operational Planning	26/04/2021	N/A	N/A
Joanne Wilson	Director of Corporate Governance/Board Secretary	01/01/2018	N/A	N/A
Jill Paterson	Director of Primary Care, Community and Long-Term Care	19/01/2018	N/A	N/A
Alwena Hughes-Moakes	Communications and Engagement Director	01/03/2023	N/A	N/A

*Lisa Gostling was substantively appointed as Deputy Chief Executive Officer from 02/12/2024, after taking on the role on an interim basis from 10/02/2024.

**WG have agreed interim arrangements to continue until a substantive appointment is in post in 2024-25

***Daniel Sharon Daniel was made substantive Director of Nursing, Quality and Patient Experience on 1 April 2025 after undertaking the role on an interim basis since 1 January 2024

Other changes to Board membership are outlined in the Directors' Report

- **Single total figure of remuneration**

The amount of pension benefits for the year which contributes to the single total figure is calculated similar to the method used to derive pension values for tax purposes and is based on information received from the NHS BSA Pensions Agency. The value of pension benefit is calculated as follows: (real increase in pension x 20) + (the real increase in any lump sum) – (contributions made by member).

The real increase in pension is not an amount which has been paid to an individual by the Health Board during the year, it is a calculation which uses information from the pension benefit table. These figures can be influenced by many factors such as changes in a person's salary, whether or not they choose to make additional contributions to the pension scheme from their pay, and other valuation factors affecting the pension scheme as a whole.

2024-25

Name and title	Full year equivalent salary (bands of £5,000) £000	Salary (bands of £5,000) £000	Bonus payments (bands of £5,000) £000	Taxable benefits in kind (to nearest £100) £000	Pension benefits (to nearest £1,000) £000	Total (bands of £5,000) £000
Executive members and directors						
Lee Davies	150-155	150-155	0	0	71	225-230
Lisa Gostling	165-170	165-170	0	0	171	335-340
Phil Kloer	225-230	225-230	0	0	243	470-475
Andrew Carruthers	155-160	155-160	0	0	75	230-235
Huw Thomas	165-170	165-170	0	0	62	225-230
Jill Paterson	140-145	140-145	0	0	36	175-180
Joanne Wilson	135-140	135-140	0	0	101	235-240
Alwena Hughes-Moakes	105-110	105-110	0	0	28	135-140
Ardiana Gjini	130-135	130-135	0	4.9	57	195-200
James Severs	135-140	135-140	0	0	105	240-245
Mark Henwood	230-235	230-235	0	0	-	230-235
Sharon Daniel	155-160	155-160	0	0	388	540-545
Non-Officer Members						
Judith Hardisty (to 31/05/2024)	55-60	5-10	0	0.9	0	10-15
Delyth Raynsford (to 31/03/2025)	10-15	10-15	0	0	0	10-15

Anna Lewis	10-15	10-15	0	0.7	0	10-15
Maynard Davies	10-15	10-15	0	1.1	0	10-15
Ann Murphy	20-25	20-25	0	0.6	0	20-25
Iwan Thomas	10-15	10-15	0	0	0	10-15
Winston Weir	10-15	10-15	0	1.6	0	10-15
Chantal Patel	10-15	10-15	0	0	0	10-15
Cllr Rhodri Evans	10-15	10-15	0	0	0	10-15
Michael Imperato	10-15	10-15	0	1.5	0	10-15
Eleanor Marks	45-50	45-50	0	1.6	0	45-50
Neil Wooding (from 01/06/2024)	55-60	45-50	0	1.2	0	50-55

The full year equivalent salary for Mark Henwood consists of £190-195k in respect of duties as Interim Executive Medical Director and £40-45k protected pay attributable to clinical duties.

The Salary of Ann Murphy consists of £5-10k in respect of duties as an Independent Board Member and £10-15k in respect of duties under a separate contract of employment as a trade union representative.

Lee Davies, Lisa Gostling, Andrew Carruthers, Huw Thomas, Jill Paterson and Mark Henwood participated in employee benefit schemes which enable employees to exchange an element of salary for a non-cash benefit by way of salary sacrifice. Such schemes are available to all employees. Resulting taxable benefits-in-kind (to the nearest £100) arising as a result of these employees' participation in these schemes are as follows:

- Lee Davies £900
- Lisa Gostling £2,200
- Andrew Carruthers £1,100
- Huw Thomas £1,100
- Jill Paterson £1,200
- Mark Henwood £1,400

These amounts are not included within the single total figure of remuneration table as salary is stated gross before the deduction of the related sacrificed salary.

The benefit in kind which arose to Ardiana Gjini related to the taxable reimbursement of relocation travel expenses.

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

The pension benefits which accrued to Sharon Daniel in the year primarily reflected an uplift in Mrs Daniel's pension entitlement upon becoming a member of the board during 2023-24. As Mrs Daniel joined the board in the fourth quarter of 2023-24, the opening pension position at 31 March 2024 substantially reflected Mrs Daniel's salary prior to becoming a member of the board, while the closing position at 31 March 2025 wholly reflected Mrs Daniel's board member salary. This has resulted in a large movement in pension entitlement from 31 March 2024 to 31 March 2025.

The pension benefits which accrued to Phil Kloer and Lisa Gostling in the year reflected an uplift in pension entitlement upon moving to a more senior position on the board during 2023-24.

Mark Henwood did not participate in the NHS Pension Scheme during the reporting year.

Accordingly, details of any pension benefits which accrued to Mr Henwood during the year are not available.

2023-24

Name	Full year equivalent salary	Salary	Bonus payments	Benefits in kind	Pension benefits	Total
	(Bands of £5k)	(Bands of £5k)	(Bands of £5k)	(To nearest £100)		(Bands of £5k)
	£000	£000	£000	£000	£000	£000
Executive members and directors						
Steve Moore (to 11/02/2024)	220-225	190-195	0	0	0	190-195
Mandy Rayani (to 31/12/2023)	150-155	110-115	0	0	0	110-115
Lee Davies	145-150	145-150	0	0	0	145-150
Lisa Gostling	150-155	150-155	0	0	0	150-155
Philip Kloer	200-205	200-205	0	0	0	200-205
Andrew Carruthers	150-155	150-155	0	0	0	150-155
Alison Shakeshaft (to 31/07/2023)	140-145	45-50	0	0	0	45-50
Huw Thomas	160-165	160-165	0	0	1	160-165
Jill Paterson	135-140	135-140	0	3.3	0	140-145
Joanne Wilson	125-130	125-130	0	0	0	125-130
Alwena Hughes-Moakes	100-105	100-105	0	0	24	125-130

Ardiana Gjini (from 01/07/2023)	130-135	95-100	0	0	12	105-110
James Severs (from 06/11/2023)	130-135	50-55	0	0	46	95-100
Mark Henwood (from 05/02/2024)	250-255	35-40	0	0	-	35-40
Sharon Daniel (from 01/01/2024)	145-150	35-40	0	0	-	35-40

Independent members						
Maria Battle (to 31/10/2023)	55-60	30-35	0	0.9	0	35-40
Judith Hardisty	50-55	50-55	0	3.3	0	55-60
Delyth Raynsford	10-15	10-15	0	0	0	10-15
Anna Lewis	10-15	10-15	0	0	0	10-15
Maynard Davies	10-15	10-15	0	0.9	0	10-15
Ann Murphy	15-20	15-20	0	0.5	0	15-20
Iwan Thomas	10-15	10-15	0	0	0	10-15
Winston Weir	10-15	10-15	0	0.1	0	10-15
Chantal Patel	10-15	10-15	0	0	0	10-15
Cllr Rhodri Evans	20-25	20-25	0	0	0	20-25
Michael Imperato (from 01/09/2023)	10-15	5-10	0	0.9	0	5-10
Eleanor Marks (from 01/02/2024)	45-50	5-10	0	0	0	5-10

The full year equivalent salary for Mark Henwood consists of £190-195k in respect of duties as Interim Executive Medical Director, £30-35k protected pay attributable to clinical duties and payments of £20-25k under the All-Wales Employer Pension Contributions Alternative Payment Policy - this policy enables employees who have opted out of the NHS Pension Scheme, on the basis that they would have been impacted by the pension tax annual allowance, to receive an

alternative payment equivalent to the amount that the employer would have paid into the relevant NHS Pension Scheme had the employee remained a member.

The Salary of Ann Murphy consists of £5-10k in respect of duties as an Independent Board Member and £10,600 in respect of duties under a separate contract of employment as a trade union representative.

The benefit in kind which arose in respect of Jill Paterson related to Miss Paterson's part-year participation in a lease car scheme available to all employees whereby an employee makes payments from net pay in exchange for the private use of a lease car.

Steve Moore, Lee Davies, Andrew Carruthers, Huw Thomas, Jill Paterson and Mark Henwood participated in a salary sacrifice scheme available to all employees whereby an element of an employee's salary is 'swapped' for the use of a car. Resulting taxable benefits-in-kind (to the nearest £100) arising as a result of these employees' participation in the scheme are as follows:

- Steve Moore £1,400
- Lee Davies £900
- Andrew Carruthers £1,100
- Huw Thomas £1,000
- Jill Paterson £700 (part-year participation)
- Mark Henwood £243 (part-year participation)

These amounts are not included within the single total figure of remuneration table as salary is stated gross before the deduction of the related sacrificed salary.

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

Details regarding the pension position of Sharon Daniel at 31 March 2023 have not been received. As a consequence, it has not been possible to calculate the pension benefits accrued during the year in respect of this individual.

Mark Henwood did not participate in the NHS Pension Scheme during the reporting year.

• **Remuneration relationship**

The details of the remuneration relationship are reported in the financial statements in section 9.6.

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

The 2024-25 financial year is the fourth year that disclosures in respect of:

- the 25th percentile pay ratio and 75th percentile pay ratio are required including the requirements for prior year comparatives
- the percentage change in the remuneration of the highest paid director or minister and the percentage change in the remuneration of the employees of the entity taken as a whole are required.

The banded remuneration of the highest-paid director in the Health Board in the financial year 2024-25 was £225,000 - £230,000 (2023-24: £220,000 - £225,000). This was seven times (2023-24: eight times) the median remuneration of the workforce, which was £32,002 (2023-24: £28,834).

In 2024-25, 39 (2023-24:35) employees received remuneration in excess of the highest-paid director. Remuneration for staff ranged from £23,970 to £353,573 (2023-24: £22,123 to £451,381). The staff who received remuneration greater than the highest paid director are all medical and dental who have assumed additional responsibilities to their standard job plan commitments and in some cases medical managerial roles, necessitating extra payment.

	2024-25	2023-24
Band of highest paid director's total remuneration £000	225-230	220 - 225
Median total remuneration £000	32	29
Median ratio	7.13:1	7.69:1
25th percentile pay £000	24	23
25th percentile pay ratio	9.50:1	9.70:1
75th percentile pay £000	47	43
75th percentile pay ratio	4.85:1	5.19:1

The percentage change in the remuneration of the highest paid director was 2% (2023-24: 7%) and the percentage change in the remuneration of the employees of the organisation taken as a whole was 11% (2023-24: 0%).

* As disclosed in the Health Board's Annual Accounts Note 9.6.

Total remuneration includes salary, non-consolidated performance-related pay, and benefits in kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

- Pensions benefits disclosure**

Name and title	Total accrued pension at pension age at 31 March 2025 (bands of £5,000) £000	Lump sum at pension age related to accrued pension at 31 March 2025 (bands of £5,000) £000	Real increase in pension at age (bands of £2,500) £000	Real increase in pension lump sum at pension aged (bands of £2,500) £000	Cash Equivalent Transfer Value at 31 March 2025 £000	Cash Equivalent Transfer Value at 31 March 2024 £000	Real increase in Cash Equivalent Transfer Value £000
Lee Davies	40-45	105-110	2.5-5	2.5-5	836	713	57
Lisa Gostling	65-70	180-185	7.5-10	15-17.5	1,647	1,347	189
Phil Kloer	80-85	215-220	10-12.5	22.5-25	1,937	1,549	255
Andrew Carruthers	45-50	110-115	2.5-5	2.5-5	906	772	64
Huw Thomas	35-40	5-10	2.5-5	0-2.5	549	458	41
Jill Paterson	55-60	155-160	2.5-5	0	-	313	-
Joanne Wilson	40-45	100-105	5-7.5	7.5-10	854	699	91
Alwena Hughes-Moakes	5-10	0	0-2.5	0	93	58	17
Ardiana Gjini	30-35	80-85	2.5-5	2.5-5	769	653	56
James Severs	30-35	0	5-7.5	0	384	286	61
Mark Henwood	-	-	-	-	-	-	-
Sharon Daniel	70-75	190-195	17.5-20	45-47.5	1,722	1,192	431

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

Mark Henwood did not participate in the NHS Pension Scheme during the reporting year. Accordingly, details of the position of Mr Henwood's pension are not available.

The pension benefits which accrued to Sharon Daniel in the year primarily reflected an uplift in Mrs Daniel's pension entitlement upon becoming a member of the board during 2023-24. As Mrs Daniel joined the board in the fourth quarter of 2023-24, the opening pension position at 31 March 2024 substantially reflected Mrs Daniel's salary prior to becoming a member of the board, while the closing position at 31 March 2025 wholly reflected Mrs Daniel's board member salary. This has resulted in a large movement in pension entitlement from 31 March 2024 to 31 March 2025.

The pension benefits which accrued to Phil Kloer and Lisa Gostling in the year reflected an uplift in pension entitlement upon moving to a more senior position on the board during 2023-24.

11.6.2 Staff Report

• Staff numbers

As of 31 March 2025, the Health Board employed 13,359 staff including bank and locum staff; this equated to 10,525.37 full time equivalent (FTE). The numbers (headcount) of female and male Board members and employees are as follows:

	Female	Male	Total
Board Members	11	12	23
Employees	10,561	2,775	13,336
Total	10,572	2,787	13,359

*Included in the Board Members figures are three additional directors (all non-voting) who are members of the Executive Team and attend Board meetings.

	Female		Male		Total	
	FTE	Head count	FTE	Head count	FTE	Head count
Executive Team	6.00	6	6.00	6	12.00	12
Independent Members	4.20	5	6.00	6	10.20	11
Total	10.20	11	12.00	12	22.20	23

Staff composition as at 31 March 2025

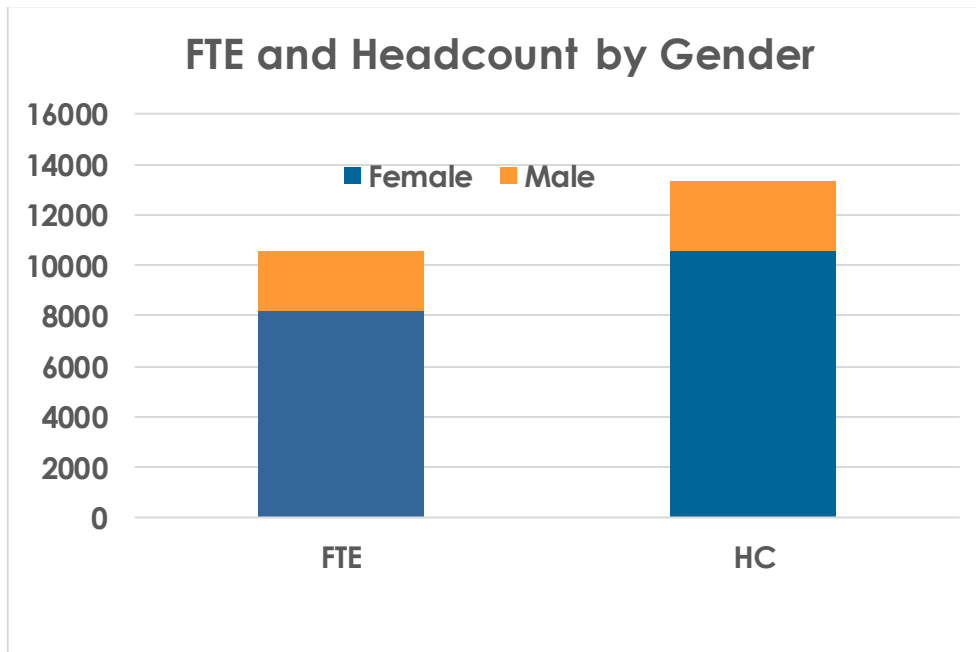
	Female		Male		Total	
	FTE	Head count	FTE	Head count	FTE	Head count
Add Prof Scientific and Technic	286.01	334	89.61	101	375.63	435
Additional Clinical Services	1,837.62	2,652	388.81	498	2,226.43	3,150
Administrative and Clerical	1,727.80	1,993	415.19	437	2,142.99	2,430
Allied Health Professionals	565.10	676	170.59	194	735.68	870
Estates and Ancillary	390.44	643	416.50	535	806.94	1,178
Healthcare Scientists	102.44	114	95.10	101	197.54	215
Medical and Dental	234.43	331	453.38	603	687.81	934
Nursing and Midwifery Registered	3,077.21	3,828	274.55	318	3,351.76	4,146
Students	0.60	1			0.60	1
Total	8,221.64	10,572	2,303.73	2,787	10,525.37	13,359

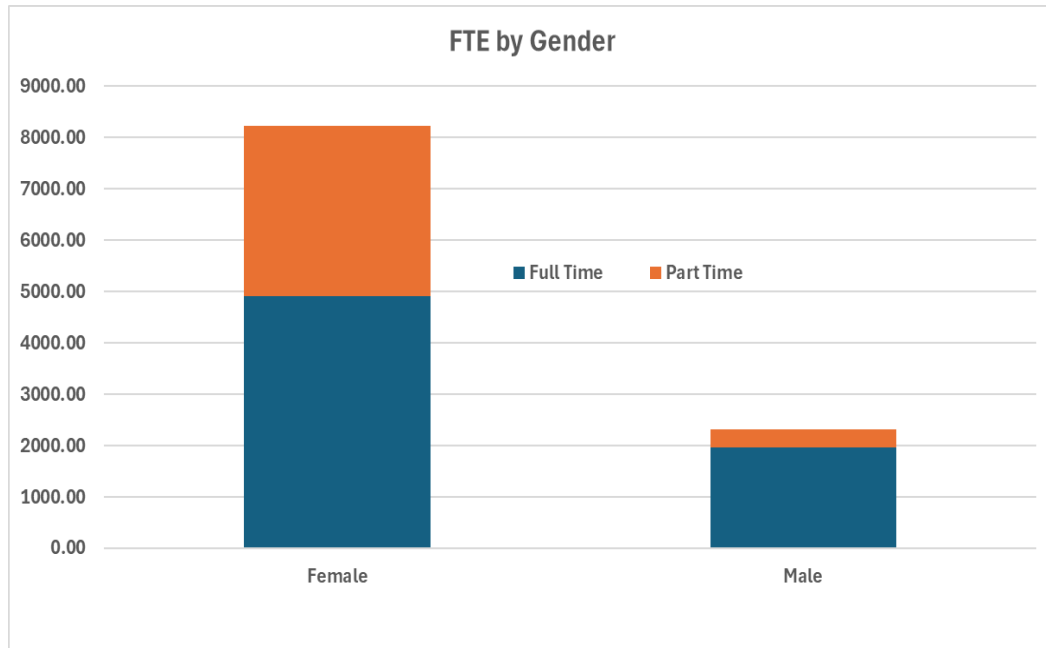
At the end of March 2025, the Health Board employed 13,359 staff including bank and locum staff; this equated to 10,525.37 Full Time Equivalents (FTE). 78% of the workforce was female by FTE and 22% male. The staff covered a wide range of professional, technical and support staff groups. Over 50% (by headcount and FTE) were within the Nursing and Midwifery and Additional Clinical Services staff groups. Senior Manager (Admin and Clerical Band 8a and above) were 1.83% of the workforce by headcount - 62% of these by FTE were female and 38% male. The Board does not have any issue with its staff composition

Senior Managers are administrative and clerical staff (Bands 8a to 9)

	Female		Male		Total	
	FTE	Head count	FTE	Head count	FTE	Head count
Band 8a	63.85	65	39.85	40	103.71	105
Band 8b	49.32	52	19.75	20	69.07	72
Band 8c	13.60	15	18.00	18	31.60	33
Band 8d	13.00	13	3.21	4	16.21	17
Band 9	7.00	7	9.60	10	16.60	17
Total	146.77	152	90.42	92	237.19	244

The Health Board has not raised any concerns about the staff composition but has noted the differentials in Band 8c and 9 in terms of gender split.





- Staff sickness data**

The following table provides information on the number of days lost due to sickness:

	2024/25	2023/24
Days lost (long term)	173,580.94	159,408.83
Days lost (short term)	77,689.29	78,522.61
Total days lost	251,270.23	237,931.44
Total Staff Years as of 31 March	10,423.72	10,319.29
Average Working Days Lost	15.07	14.38
Total Staff employed as of 31 March (headcount)	13,359	13,291
Total Staff employed in period with no absence (headcount)	3,513	3,944
Percentage of staff with no sick leave	29.12%	33.04%

Despite significant effort, the Health Board has been unable to meet its aim of reducing sickness absence to meet the national target of 4.79%, with overall sickness rates hovering around 6.5% since May 2024. Data for January 2025 indicates that the all-Wales average at that time was 6.3% whereas Hywel Dda rates were 6.68%. Anxiety, stress and depression continue to account for the highest proportion of long-term absence across most of our directorates, with cough, colds and flu accounting for the highest proportion of short-term absence. This year has seen a significant

increase in the number of stress risk assessments being completed which is enables us to build a better picture of the various factors at play.

A programme of work is underway to review service areas with high sickness rates and provide targeted support from the workforce team to support managers in understanding the sickness absence process and how best to support their staff.

- **Staff policies**

The operational workforce team the review of our local employment policies on a three-yearly cycle. The reviews continue to focus on the individual at the centre of the matter, align with Health Board strategic priorities and promote widespread engagement in both the review of existing and the formulation of new policies.

During 2024-25:

9 Local policy reviews were completed:

- 4 were reviewed and approved
- 2 were removed (one was removed as it was already defined in the Terms and Conditions Handbook and the other was incorporated into a new all Wales policy)
- 3 reviews remain work in progress due to the cancellation or timing of committee meetings for their approval.
- 1 local review was not undertaken as this policy is in the process of being reviewed at an all-Wales level. Once agreed at the All-Wales Partnership Forum Business Committee it will be put forward for adoption and then replace our existing local policy.
- 4 all-Wales policies were also adopted by the Health Board as was the SAS (specialist, associate specialist and specialty doctors) Charter - the charter includes good practice around medical contracts, job planning, support and recruitment.

Our trade union representatives continue to support our approach to policy review and continue to be integral to it. As part of our approach to social partnership working with our trade union colleagues, one of our local policies (industrial injury) now includes a union representative as part of a decision-making panel.

As part of the local review of policies in 2023-24, the Health Board agreed a 10-year pledge to reduce all our local policies to five pages or less (excluding the corporate governance requirements that are standard to each policy) to make them easier for staff to follow and be more principles led than prescriptive in approach. We started 2024-25 with 73% of our local policies meeting this pledge and ended 2024/25 increasing our compliance to 77%.

- **Trade Union Relationships**

In preparation for the Social Partnership Duty legislation which came into effect on 1 April 2024, we worked with our trade union colleagues to better understand the legislation and how we could implement the legislation to best effect.

As well as ensuring that the Social Partnership Duty was considered as part of reports to various committee meetings, an update on the legislation was given to the Executive Team. Our public

health team are also working with our trade union colleagues on the refresh of the Health Board’s well-being objectives under the Well-being of Future Generations (Wales) Act 2015.

We jointly attended the Welsh Government Social Partnership event held in Cardiff in September 2023. This provided us with a positive opportunity for us to focus on what social partnership working means for us. We were also invited by Welsh Government to present a joint workshop at the Swansea Social Partnership event in July 2024 on the benefits of social partnership working in Hywel Dda and were able to demonstrate that we were already meeting some aspects of the legislation. The feedback received from Welsh Government was that the workshop was well received by those attending from across the public sector in Wales.

We continue to build on the good work undertaken over the last couple of years with our trade union colleagues and have separated out strategic and operational discussions into distinct pathways which enable issues to be considered and resolved in a more streamlined manner and at the appropriate level.

The Health Board and trade unions continue to work closely on policy work and their contribution continues to be of critical importance to us. We are also building on the structure of our agenda setting with all our trade union colleagues including those representing our medical and dental workforce via the Local Negotiating Committee.

- **Expenditure of consultancy and temporary staff**

Consultancy services are a provision for management to receive objective advice and assistance relating to strategy, structure, management or operations of an organisation in pursuant of its purposes and objectives. During the year the Health Board spent £72,446 (2023-24: £410,255) on consultancy services as follows:

Transforming clinical services	£15,296
Other service reviews/advice	£57,150

Expenditure on temporary staff during 2024/25 amounted to £12,320,179 (2023-24: £28,389,767), including £11,069,567 (2023-24: £26,963,051) in respect of registered nurses.

- **Tax assurance for off-payroll appointees**

In response to the Welsh Government’s review of the tax arrangements of public sector appointees, which highlighted the possibility for artificial arrangements to enable tax avoidance, the Welsh Government has taken a zero tolerance approach and produced a policy that has been communicated and implemented. Tax assurance evidence has been sought and scrutinised to ensure it is sufficient from all off-payroll appointees. Details of these off-payroll arrangements will be published on the Health Board’s website following publication of the Annual Report.

Table 1: Highly paid off-payroll worker engagements as at 31 March 2025, earning £245 per day or greater.

Number (No.) of existing engagements as of 31 March 2025	0
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Of which, no. that existed:	
for less than 1 year	0
for between 1 and 2 years	0
for between 2 and 3 years	0
for between 3 and 4 years	0
for 4 or more years	0

All existing off-payroll engagements, outlined above, have been subject to a risk-based assessment as to whether assurance is required that the individual is paying the right amount of tax, and where necessary, that assurance has been sought.

Table 2: All highly paid off-payroll workers engaged at any point during the year ended 31 March 2025, earning £245 per day or greater

No. of temporary off-payroll workers engaged during the year ended 31 March 2025	0
Of which...	
Not subject to off-payroll legislation	0
Subject to off-payroll legislation and determined as in-scope of IR35	0
Subject to off-payroll legislation and determined as out-of-scope of IR35	0
No. of engagements reassessed for compliance or assurance purposes during the year	0
Of which: No. of engagements that saw a change to IR35 status following review	0

Table 3: For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2024 and 31 March 2025

No. of off-payroll engagements of board members, and /or, senior officials with significant financial responsibility, during the financial year.	0
Total no. of individuals on payroll and off-payroll that have been deemed 'board members and/or senior officials with significant financial responsibility' during the financial year. This figure should include both on payroll and off- payroll engagements.	24

- **Exit packages**

There have not been any costs associated with redundancy in the last year. Redundancy and other departure costs have been paid in accordance with the provisions of the NHS voluntary early release scheme (VERS). No exit costs were paid in 2024-25 in relation to settlement claims, the year of departure (2023-24: £4,000). The exit costs detailed below are accounted for in full in the year of departure on a cash basis as specified in EPN 380 Annex 13C.

Where the Health Board has agreed voluntary early retirement, the additional costs are met by the Health Board and not by the NHS Pension Scheme. Ill-health retirement costs are met by the NHS Pension Scheme and are not included in the table below. This disclosure reports the number and value of exit packages taken by staff leaving in the year. Note: the expense associated with these departures may have been recognised in part or in full in a previous period.

The Health Board receives a full business case in respect of each application supported by the line manager. The Executive Director of Finance and Executive Director of Workforce and Organisational Development approve all applications prior to them being processed. Any payments over an agreed threshold are also submitted to the Welsh Government for approval prior to Health Board approval.

Details of exit packages and severance payments are as follows:

Exit packages cost band (including any special payment element)	2024/25 Number of compulsory redundancies	2024/25 Number of other departures	2024/25 Total number of exit packages	2024/25 Number of departures where special payments have been made	2023/24 Total number of exit packages
	Number	Number	Number	Number	Number
less than £10,000	0	0	0	0	1
£10,000 to £25,000	0	0	0	0	0
£25,000 to £50,000	0	0	0	0	0
£50,000 to £100,000	0	0	0	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	0	0	0	0	1

Exit packages cost band (including any special payment element)	2024/25 Cost of compulsory redundancies	2024/25 Cost of other departures	2024/25 Total cost of exit packages	2024/25 Cost of special element included in exit packages	2023/24 Total cost of exit packages
	£'s	£'s	£'s	£'s	£'s
less than £10,000	0	0	0	0	4,000
£10,000 to £25,000	0	0	0	0	0
£25,000 to £50,000	0	0	0	0	0
£50,000 to £100,000	0	0	0	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	0	0	0	0	4,000

11.7 Senedd Cymru/Welsh Parliament Accountability and Audit Report

• Regularity of expenditure

Common with the public sector in general the Health Board continued to face exceptional challenges in 2024-25. The Health Board has a financial duty to break even over a three-year period, but it has not been able to deliver this balanced position. The expenditure of £149m which it has incurred in excess of its resource limit over that three-year period is deemed to be irregular, as is the 2024-25 expenditure in excess of its resource limit, which amounted to £24m. The Health Board will continue to identify efficiency and cost reduction measures in order to mitigate against future cost and service pressures and to establish financial balance in due course.

• Fees and charges

The Health Board levies charges or fees on its patients in a number of areas. Where the Health Board makes such charges or fees, it does so in accordance with relevant Welsh health circulars and charging guidance.

Charges are generally made on a full cost basis. None of the items for which charges are made are by themselves material to the Health Board, however, details of some of the larger items (dental fees, private and overseas patient income) are disclosed within Note 4 of the Annual Accounts.

• Managing public money

This is the required statement for public sector information holders. In line with other Welsh NHS bodies, the Health Board has developed standing financial instructions which enforce the principles outlined in HM Treasury on managing public money. As a result, the Health Board confirms it has complied with cost allocation and the charging requirements set out in HM Treasury guidance during the year.

• Material remote contingent liabilities

Remote contingent liabilities are those liabilities which due to the unlikelihood of a resultant charge against the Health Board are therefore not recognised as an expense nor as a contingent liability. Detailed below are the remote contingent liabilities as of 31 March 2025:

	2024-25	2023-24
	£000s	£000s
Guarantees	0	0
Indemnities*	1,412	300
Letters of Comfort	0	0
Total	1,412	300

* Indemnities include clinical negligence and personal injury claims against the Health Board. Where these claims progress, the majority of the costs incurred (in excess of the £25k per claim attributable to the Health Board) will be recovered from the Welsh Risk Pool. The above amounts represent the remote contingent liabilities prior to any recovery of costs from the Welsh Risk Pool.