



**PWYLLGOR CYLLID A PHERFFORMIAD
FINANCE AND PERFORMANCE COMMITTEE**

DYDDIAD Y CYFARFOD: DATE OF MEETING:	29 April 2025
TEITL YR ADRODDIAD: TITLE OF REPORT:	All-Wales Capital Programme 2025/26 Capital Resource Limit and Capital Financial Management Update
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Huw Thomas, Director of Finance
SWYDDOG ADRODD: REPORTING OFFICER:	Sarah Welsby, Senior Finance Business Partner Planning and Major Projects

Pwrpas yr Adroddiad (dewiswch fel yn addas)

Purpose of the Report (select as appropriate)

Er Gwybodaeth/For Information

ADRODDIAD SCAA

SBAR REPORT

Sefyllfa / Situation

This update report is presented to the Finance and Performance Committee to:

- Note spend against the 2024/25 Capital Resource Limit (CRL)
- Note the project updates

Cefndir / Background

This report provides an update on the CRL for 2024/25.

Asesiad / Assessment

The final CRL for 2024/25 has been issued with the following allocations:

Allocation	£'m
All Wales Capital Programme (AWCP)	33.899
Discretionary Programme (gross allocation)	7.304
Disposal Proceeds	0.034
International Financial Reporting Standards (IFRS) 16 Leases	1.522
Total	42.759

In addition to the above the following were available for use:

- £0.555m of value added tax (VAT) recovery is available for use following completion of the review of the 2023/24 programme.
- £0.793m release of a VAT provision made for the Bronglais Hospital (BGH) Front of House Scheme following a decision by His Majesty's Revenue & Customs.
- £0.540m following a review of aged accruals on the Balance Sheet.

These have been utilised to address some of the Health Board's backlog estates and medical / digital equipment replacement. Items funded include the purchase of replacement Windows 10 devices which are becoming end of life, three tissue processors and the replacement of the roof over the Outpatients Department at Withybush Hospital (WGH).

Since the previous report, the following changes to the CRL have been made:

Scheme	£m	Description
Estates Funding Advisory Board	(0.227)	Scheme slippage identified
Backlog Maintenance 24/25	(0.605)	Scheme slippage identified
Year End Funding – October 2024	(0.443)	Scheme slippage identified
Aberystwyth Sexual Assault Referral Centre	0.213	Accelerated spend in 2024/25, scheme completing in 2025/26
Discretionary Capital Programme	1.062	This represents the net effect of the above four scheme variances. Spend has been accelerated on DCP schemes to offset the above slippages. 2025/26 DCP will be reduced to compensate for this.
Year End Funding – February 2025	0.446	Replacement medical devices
Year End Digital Funding – February 2025	0.130	CCTV cameras
IFRS 16 – Pentre Awel	(1.174)	Funding requirement for lease element of Pentre Awel, now in 2025/26
IFRS 16 allocations	0.771	
	0.173	

In addition to the resource allocated through the CRL and the net book value of disposals, the Health Board is able to make capital purchases through donations.

Allocation	£m
All Wales Capital Programme (AWCP)	33.899
Discretionary Programme (gross allocation)	7.304
Disposal Proceeds	0.034
Donations	2.758
International Financial Reporting Standards (IFRS) 16 leases	1.522
Total Resource Available	45.517

The un-audited Capital Expenditure position for 2024/25 is detailed in the table below:

Scheme	Un-audited Spend 2024/25 £m
AWCP	
EFAB - Infrastructure	2.888
EFAB – Fire	1.123

Withybush RAAC fees and works	5.198
Glangwili Fire Enforcement Phase 1	8.030
Glangwili Fire Enforcement Phase 2 - Fees	0.066
Cross Hands Health and Wellbeing Centre	0.208
BGH Digital Radiology X-Ray works	0.258
Diagnostic Equipment 2024-25	2.400
Backlog Maintenance 2024-25	2.593
DPIF - RISP	0.201
Fishguard Health and Wellbeing Centre	0.077
Year End Funding – October 2024	0.954
Aberystwyth Sexual Assault Referral Centre	0.987
Block C, Picton Terrace, Carmarthen	1.347
DPIF - Electronic Prescribing and Medicines Administration (EPMA)	0.486
Diagnostic and Medical Equipment 2024-25	3.924
Glangwili Laundry Hub – Transfer from NWSSP	0.080
Digital Equipment – December 2024-25	0.483
Transfer from PHW for refurbishment of molecular laboratory	0.093
Commercial Research Delivery Wales (CRDW) Equipment Call 2024-25	0.007
Year End Funding – January 2025	1.386
Year End Funding – January 2025 – Digital	0.600
Year End Funding – February 2025	0.446
Year End Digital Funding – February 2025	0.141
Carmarthen Hwb	0.282
Sub-total AWCP	34.258
Discretionary	
Digital	1.619
Equipment	1.537
Statutory Compliance	0.439
Estates	2.195
Other	1.104
Sub-total Discretionary	6.894
Donated & Granted Assets	2.758
IFRS 16	
New and renewed leases	1.522
Sub-total IFRS 16	1.522
TOTAL	45.432

Against the resource available, the unaudited expenditure position for the year is an underspend of £0.085m

The revenue implication of this spend is detailed in **Appendix 1**.

Equipment Vested/Bonded at Year-End

As previously reported, there was a requirement to vest some items of equipment. These are detailed below:

Item of equipment	£m
WGH Fluoroscopy Machines	0.443
Electronic Prescribing and Medicines Administration Carts	0.388

Bronglais General Hospital Generator	0.509
Central Stations	0.211
Arjo Baths	0.018
Total	1.569

Capital Scheme Updates (Schemes greater than £1m)

Cross Hands Health and Wellbeing Centre (HWBC)

Following recent Welsh Government (WG) correspondence, the Health Board is reviewing the Full Business Case, which is under development, to ensure that it is deliverable within the new guidance issued on budgetary constraints by WG in September 2023.

WGH Reinforced Autoclaved Aerated Concrete (RAAC) Works

Extensive work has been undertaken at WGH to make safe the roof following surveys assessing the extent of RAAC used in its original construction. £12.8m has been awarded by WG to undertake the works. Works required to six of the affected wards were completed by March 2024. The remaining works completed in March 2025.

BGH Chemotherapy Day Unit

Work on a new Chemotherapy Day Unit at BGH commenced in May 2024. The scheme will remodel part of the existing floor area and repurpose accommodation to ensure the needs of staff and patients are met to deliver a modern and welcoming facility. The majority of the scheme has been funded via charitable funds with a £0.32m contribution from the Health Board's discretionary capital programme.

The new Unit is due to open in May 2025.

Aberystwyth Sexual Assault Referral Centre (SARC)

Following WG approval of the business case for the Aberystwyth SARC, £3.354m funding has been provided with work starting in January 2025 and due to complete in 2025/26.

Argymhelliad / Recommendation

The Finance and Performance Committee is requested to:

- **NOTE** the draft year end outturn against the CRL for 2024/25, subject to audit.
- **NOTE** the project updates.

Amcanion: (rhaid cwblhau)

Objectives: (must be completed)

Committee ToR Reference:

Cyfeirnod Cylch Gorchwyl y Pwyllgor:

3.1.5 Receive assurance on the delivery of the financial plan. This will be achieved through scrutiny of the monthly finance report. This report shall ensure clarity in:

3.1.3 Performance against other financial metrics, such as cash management,

	capital management and Public Sector Payment Policy.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Corporate Risk 1196 - not be able to provide safe, sustainable, accessible and kind services. This is caused by insufficient investment to ensure we have appropriate facilities, medical equipment and digital infrastructure of an appropriate standard. Score 16
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:	3. Striving to deliver and develop excellent services 6. Sustainable use of resources
Amcanion Cynllunio Planning Objectives	7 Primary and community strategic plan 8 Estates plans 9 Digital plan
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2021-2022	9. All HDdUHB Well-being Objectives apply

Gwybodaeth Ychwanegol:

Further Information:

Ar sail tystiolaeth: Evidence Base:	Capital Allocation and prioritisation process. Capital Investment procedure and all relevant Welsh Government guidance.
Rhestr Termiau: Glossary of Terms:	Explanation of terms is included in the main body of the report.
Partion / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Adnoddau Cynaliadwy: Parties / Committees consulted prior to Sustainable Resources Committee:	Capital Monitoring Forum Capital Planning Group Individual Project Boards of Capital Schemes Welsh Government Capital Review Meeting Capital Sub-Committee

Effaith: (rhaid cwblhau)

Impact: (must be completed)

Ariannol / Gwerth am Arian: Financial / Service:	Capital values noted within the report. Included within individual business cases and Capital prioritisation process.
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Ansawdd / Gofal Claf: Quality / Patient Care:	Included within individual business cases and Capital prioritisation process
Gweithlu: Workforce:	Included within individual business cases and Capital prioritisation process
Risg: Risk:	Risk assessment process is integral to the capital prioritisation process and the management of capital planning within HDdUHB
Cyfreithiol: Legal:	Included within individual business cases and Capital prioritisation process
Enw Da: Reputational:	Included within individual business cases and Capital prioritisation process
Gyfrinachedd: Privacy:	Included within individual business cases and Capital prioritisation process
Cydraddoldeb: Equality:	Included within individual business cases and Capital prioritisation process

Appendix 1: Revenue Consequences of Capital Schemes

The below table summarises the revenue consequences of capital schemes of which funding has been received in 2024/25:

Scheme	Total £'m	Additional £'m	Costs included in current budgets (replacement) £'m
AWCP			
Estates Funding Advisory Board (EFAB) - Infrastructure	0.00	0.00	0.00
EFAB - Fire	0.00	0.00	0.00
EFAB - Decarbonisation	0.00	0.00	0.00
Withybush - RAAC Fees and Works	Future ongoing survey and other costs not yet known		
GGH Fire Enforcement Phase 1	0.00	0.00	0.00
GGH Fire Enforcement works – Phase 2 - Fees	0.00	0.00	0.00
Cross Hands Health and Wellbeing Centre	See Capital Scheme Updates (Schemes greater than £1m) section		
BGH Digital Radiology X-Ray works	0.00	0.00	0.00
Diagnostic Equipment 2024-25	0.13	0.00	0.13
Backlog Maintenance 2024-25	0.00	0.00	0.00
DPIF – RISP	0.00	0.00	0.00
Fishguard Health and Wellbeing Centre	Business case under development – revenue consequences of project not yet known		
Year End Funding – October 2024	0.05	0.00	0.05
Aberystwyth Sexual Assault Referral Centre	0.00	0.00	0.00
Picton Terrace	Occupation expected to generate efficiencies of at least £200k through rationalisation of freehold and leasehold estate.		
DPIF - Electronic Prescribing and Medicines Administration (EPMA)	0.00	0.00	0.00
Diagnostic and Medical Equipment 2024-25	0.39	0.00	0.39
Glangwili Laundry hub - Transfer from NWSSP	0.00	0.00	0.00
Digital Equipment - December 2024-25	0.00	0.00	0.00
Transfer from PHW for refurbishment of molecular laboratory	0.00	0.00	0.00
Commercial Research Delivery Wales (CRDW) Equipment Call 2024-25	0.00	0.00	0.00
Year End Funding – January 2025	0.09	0.00	0.09
Year End Funding – January - Digital - 2025	0.00	0.00	0.00
Year end Funding February 2025	0.01	0.00	0.01
Year End Digital Funding – February 2025	0.00	0.00	0.00
Carmarthen Hwb	0.00	0.00	0.00
Sub-total AWCP	0.67	0.00	0.67
Discretionary/receipts			
IT	0.00	0.00	0.00
Equipment	0.18	0.00	0.18
Estates Statutory	0.00	0.00	0.00
Estates Infrastructure	0.00	0.00	0.00
Other	0.00	0.00	0.00
Sub-total Discretionary	0.18	0.00	0.18
TOTAL	0.75	0.00	0.85

The above table shows the total revenue costs as a consequence of capital expenditure in 2024/25 as £0.75m. Total additional costs are estimated at £0.00m and costs assumed to be included in current revenue budgets, as they are equipment replacements, totals £0.75m.

The following assumptions were made: -

- Medical Equipment replacement assumed at 10% of capital cost.
- Any Estates work to existing buildings are assumed to be revenue neutral unless the building footprint increases or changes significantly.
- Some capital investments will lead to longer term revenue savings (such as decarbonisation initiatives and digital investment); however, it has been assumed that these will be included as a part of directorate savings plans.