Pwyllgor Cyllid a Pherfformiad/ Finance and Performance Committee

DYDDIAD Y CYFARFOD: DATE OF MEETING:	**27 OCTOBER 2026**
TEITL YR ADRODDIAD: TITLE OF REPORT:	Workforce Improvement Programme Update
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Lisa Gostling, Executive Director of Workforce and OD/ Deputy Chief Executive
SWYDDOG ADRODD: REPORTING OFFICER:	Lisa Gostling, Executive Director of Workforce and OD/ Deputy Chief Executive

Pwrpas yr Adroddiad (dewiswch fel yn addas) **Purpose of the Report** (select as appropriate)
Er Sicrwydd/ For Assurance

ADRODDIAD SCAA
SBAR REPORT

Sefyllfa / Situation

To meet growing demand and significant financial challenges, we must make the best possible use of all our resources, particularly our workforce. The programmes outlined in this paper were introduced to improve workforce sustainability, strengthen productivity and reduce avoidable expenditure, enabling us to protect services and continue investing in patient care. Improving attendance, workforce deployment and establishment management will support a more resilient organisation for our staff and the communities we serve. Managers are central to this work: creating capacity, supporting staff and delivering sustainable service improvement.

Cefndir / Background

The workforce improvement programme has now been in place since 25 August 2026. There are ten working groups around six themed areas. These themes are:

Theme 1 – Sickness Absence Management
Theme 2 – Band 7 – 9 Workforce Growth
Theme 3 – Admin & Clerical Workforce Growth
Theme 4 – Variable Pay Reduction

- Medical
- Nursing & HCSW
- Ancillary & Estates
- Allied Health Professions and Health Sciences
- Admin & Clerical

Theme 5 – Workforce Controls (Establishment Control)
Theme 6 – Recurrent Savings Delivery (OCP process to deliver recurrent 5% CIP Savings)

This update report is provided to highlight progress to date, issues arising and outline next steps.

Asesiad / Assessment

Progress against the six themes is detailed below:

Theme 1 – Sickness Absence Management

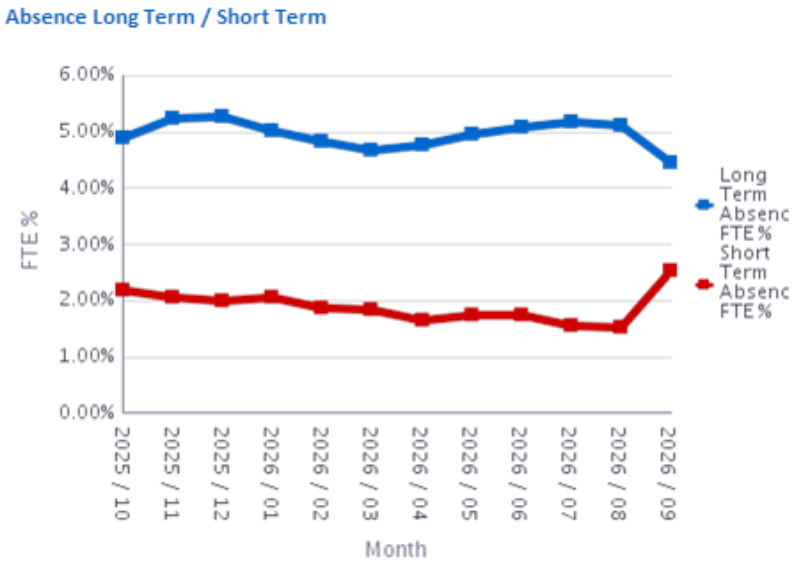
Significant progress has been made in improving long-term sickness absence oversight, with structured reviews, return-to-work planning, and case management activities completed across multiple cohorts, strengthening operational control and consistency in decision-making across services. Baseline information (people off sick on 30 June 2026) of people who had been off since between 2022 and 2025 reported at 106 individuals. The number of people within that time period as at 31 August the number had reduced to 65. In-month sickness absence recorded at 31 August 2026 was 6.56%, with baseline July 2026 information being 6.69%. The target for September 2026 is 6.5%.

Risk to Plan

Robust plans are in place for the management of long-term sickness; however, the latest scabies outbreak could impact on absence rates. Plans are in place to ensure the same coding is used for staff absent as a result of this, so that separate sickness reports can be produced to ensure absence linked to intervention can also be tracked.

Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sept 26
6.80%	7.08%	7.31%	7.27%	7.05%	6.70%	6.49%	6.42%	6.69%	6.81%	6.69%	6.56%	6.84%

Whilst sickness absence rates have increased, long-term sickness rates have reduced linked to this work programme have seen a decrease and the increase noted is linked to short term sickness specifically linked with reported cases of cough, cold and flu, (instances increased from 126 in August to 436 in September).



871 individuals were absent on long-term sickness on 31 July 2026, with 692 being recorded as absent on 30 September 2026.

Theme 2 – Band 7-9 Workforce Growth

The focus of this programme is to initially identify the number of workforce in bands 7 – 9 in both clinical and non-clinical areas. The group will then consider the growth for each of these groups and undertake an analysis on whether the growth is proportionate and supports specialist and senior decision making. It will then determine if an area has grown out of proportion and with the remainder of their establishment is disproportionate develop workforce plans to support the reduction of workforce at the relevant bands.

To date the programme has:

- Identified the number of roles for each directorate at each band.
- Undertaken an analysis of administrative growth.

Theme 3 – Admin & Clerical Workforce Growth – Recruitment Controls

Significant progress has been made with regards to the actions defined in this programme. The scope of this programme was extended to include newly created posts and all managerial posts. From 1 September 2026, recruitment controls were established to ensure that recruitment into these roles was only supported via internal processes. This could not include appointment of volunteers or bank workers. Any requests for exceptions are made to the Executive Team.

Whilst an increase in vacancies was noted in August, requests for external recruitment have reduced, with none being received throughout September. At present, we have not seen evidence of a reduction in our Admin and Clerical workforce, which is linked to new recruits still joining the Health Board from interviews prior to the change in practice in September.

A formal Financial control group has been established to consider these requests, along with agency requests, on a weekly basis.

Vacancies advertised during 2026

Month	Administrative and Clerical
Jan	34
Feb	27
Mar	27
Apr	29
May	43
June	43
July	38
Aug	58
Sep	26

August and September breakdown

w/c	A&C
03-Aug	13
10-Aug	5
17-Aug	13
24-Aug	27
31-Aug	5
07-Sep	5
14-Sep	4
21-Sep	5
28-Sep	8
5-Oct	5

Theme 4a – Nursing Variable Pay

The Nursing and Midwifery workforce actions have made significant progress since they began. The following areas have been completed or are in progress:

- The "No HCSW agency usage" control initiative was completed on **14 September 2026**, supporting immediate reductions in agency dependency.
- Mapping of Newly Qualified Nurse intake impacts was completed on **25 September 2026**, enabling improved workforce planning alignment.
- Monthly financial improvement plans are in place, with all ward areas knowing the expected variable pay reduction associated with new joiners.
- Health Care Support Worker apprentices commenced 28 September 2026; after their 2 week induction programme, they will support further reduction of variable pay in ward areas. It is anticipated this programme will continue, with new apprentices being recruited throughout the year.
- The top 10 highest use of variable pay wards have been identified and work to ensure roster efficiency is underway, to reduce variable pay in addition to the recruitment measures identified above.

Risk to Plan

The Scabies outbreak could have a negative impact on variable pay linked to the dependencies with the sickness absence programme.

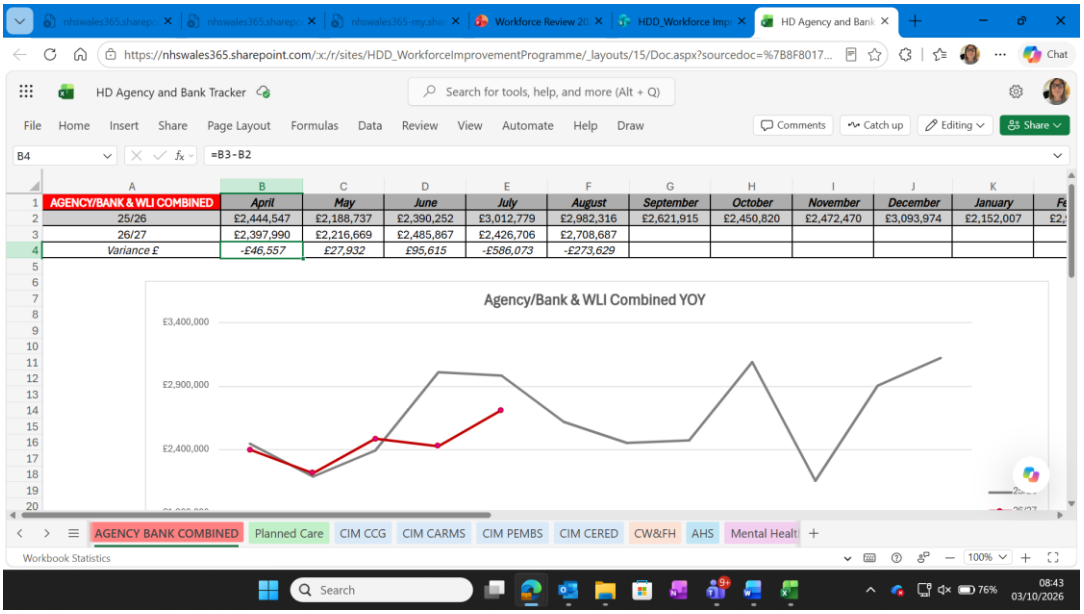
Theme 4b – Medical Variable Pay

The Medical Variable Pay workstream, whilst delivering many actions, has not yet been able to demonstrate progress with reduced variable pay. This continues to be an issue with pressure on services and the need to cover fragile rotas. Progress since the formal establishment of the Improvement Programme includes:

- Establishment of baseline metrics, rota compliance confirmation, and data quality tracking outputs were completed during September 2026, enabling improved visibility of workforce activity and spend.

- Job planning compliance reached 90% by 30 September 2026.
- Deep dives have been undertaken into the Rostering system and links to the job planning system. RLDatix, the supplier of the systems, will audit two areas to identify whether we are using both systems to their optimum and present areas of improvement. This will provide greater clarity around staffing requirements and compliance with job planning commitments. Once this has been completed, greater grip and control can be exercised with medical rostering practice.
- All agency workers, reasons for usage and links to recruitment have been shared with CCGs to support safe exit arrangements.
- The Occupational Health team is reviewing all working arrangements which have health related exclusions, to ensure they are relevant and where not to support individuals to return to normal working practices.
- Work will begin throughout October 2026 to create greater clarity on roster management, compliance and the commencement of the development of a 10 year plan to stabilise the medical workforce.

VARIABLE PAY - Bank & Agency Tracker							
Month	**October**	**November**	**December**	**January**	**February**	**March**	**Total**
26/27 Monthly ceiling spend to achieve -10% Variable Pay	£92,889.00	£92,889.00	£92,889.00	£92,889.00	£92,889.00	£92,889.00	**£557,334**
26/27 Invoiced spend - Variable Pay							
Variance to plan - Variable Pay							£557,334
26/27 Monthly ceiling spend to achieve 30% agency reduction targ	£33,481	£33,481	£33,481	£33,481	£33,481	£33,481	**£200,886**
26/27 Invoiced spend - Agency							
Variance to plan - Agency							£200,886



Financial Pressure Heat Map

Division	Premium Pay Pressure
Community & Integrated Medicine	🔴🔴🔴🔴🔴
Planned & Specialist Care	🔴🔴🔴🔴
Primary Care	🟠🟠🟠
Mental Health	🟢🟢
Corporate Medical	🟢

Medical & Dental Workforce Growth Heat Map

Division	Headcount Growth Since Apr-25	Assessment
Community & Integrated Medicine	🔴🔴🔴🔴🔴	Highest growth
Planned & Specialist Care	🔴🔴🔴🔴	Strong growth
Women & Children	🔴🔴🔴	Moderate growth
Primary Care	🔴🔴🔴	Moderate growth
Mental Health	🔴🔴	Controlled growth
Corporate Medical	🟢	Stable

Based on consultant, specialty doctor, SAS doctor, trust grade and GP growth visible across the establishment dataset.

Theme 4c – Allied Health Professions/Health Sciences Variable Pay

Variable pay within Allied Health and Health sciences is linked with fragile substantive workforce and links with requirements from other services to deliver key diagnostics. Work to date however has included:

- Identification of all variable pay and reasons for usage
- Development of a standard operating procedure for the booking of variable pay, as controls identified were not robust
- Scoping of impact of introducing rostering systems is being undertaken, to ensure value for money and impact on variable pay by creating visibility of requirements.

Theme 4d - Estates & Facilities Variable Pay

Significant work within this improvement programme has been undertaken in relation to facilities. To date, limited progress has been made for the estates workforce and this will be further explored during October 2026. Within facilities the following actions have been completed:

- Standard operating procedures for the booking of annual leave are in place.
- Standard operating procedures for the use of rostering are in place.
- Savings trajectories have been issued to all areas linked to the above and recruitment of substantive workforce.
- Further work is underway to ensure roster efficiency, working closely with the rostering teams.
- Removal of legacy weekly pay arrangements will shortly be completed. These actions strengthened financial governance and improved consistency of workforce payment controls across Estates & Facilities services.

Theme 4e – Admin and Clerical Variable Pay

Admin and Clerical variable pay is not a key financial driver for the organisation; however, analysis has identified a number of services where regular bank and overtime usage occurs, primarily in Out of Hours, Emergency Department receptions, Medical Records, waiting list management, investigation officer support and other areas supporting patient flow and operational delivery. Discussions with senior service managers, alongside a review of year to

date spend and historical approval requests, indicate that much of it supports core operational functions, often where there are direct implications for patient care, statutory requirements, performance targets and service resilience.

Initial findings also suggest that Admin and Clerical variable pay is often a symptom of wider workforce and operational pressures, rather than the root cause. Targeted discussions are, therefore, underway with managers in higher-spend areas, to better understand the underlying drivers and identify opportunities to reduce reliance on variable pay through alternative workforce models, workforce planning, recruitment, roster effectiveness and onboarding processes.

An increase in the use of variable pay was recorded in September 2026, Bank £21,699 (August) to £24,829 (September) and overtime £47,23 (August) to £56,913 (September).

Theme 5 - Workforce Controls

This improvement programme is to align ESR/staffing information with Oracle budgetary information. Finance and workforce teams are working together to cleanse systems to ensure that, by 31 March 2027, all services have clarity on funded establishments. This will ensure that controls can be clearly in place for future staffing requests. Planned and Specialist Care is the first service for which this has been undertaken and the CCG leads are engaged in the process. Once the system cleansing has been undertaken, it will highlight any inconsistencies; enabling decisions to be made around how anomalies are addressed, which could either include funding support or workforce reduction programmes and service redesign.

Workforce Control activities delivered include:

- Establishment reports were successfully developed and completed on **10 September and 14 September 2026,** providing foundational workforce visibility.
- Manager establishment sign-off processes were successfully launched and completed on **28 September 2026,** strengthening accountability at service level.
- Fixed-term contract and secondment identification work has commenced.

Risk to Plan

Capacity within the workforce intelligence team is a key constraint. The small team is supporting each of the nine workstreams, supporting business as usual reporting and also leading the readiness assessment process for the introduction of Porth Pobl, the new workforce solution, for which the Health Board is an early adopter.

Theme 6 – Recurrent Savings Delivery (OCP Process to delivery recurrent 5% CIP Savings)

The Organisational Change Programme (OCP) improvement programme will achieve financial savings, as new OCPs are rolled out across the organisation. Progress to date includes:

- Draft finance and workforce summary content developed and integrated into OCP documentation, supporting improved alignment between workforce planning and financial oversight.
- Revised OCP process to include pre-engagement phase in addition to formal consultation phase. This will support individuals being included in decisions around their work and teams. Whilst introducing this phase adds a step, it is not anticipated to elongate the OCP process.
- The new process will be piloted within Workforce & OD during October 2026.

Argymhelliad / Recommendation

The Finance and Performance Committee is asked to:

- **NOTE** progress made within the Workforce Improvement Programmes
- **TAKE ASSURANCE** that actions will support the delivery of sustainable workforce models and reduce variable pay
- **DISCUSS** the contents of the report

Amcanion: (rhaid cwblhau) **Objectives: (must be completed)**	
Cyfeirnod Cylch Gorchwyl y Pwyllgor: Committee ToR Reference:	3.1 The Committee will, in respect of its provision of advice and assurance to the Board: 3.1.1 Receive assurances on the financial governance and control environment in operation across the Health Board. This will be achieved a programme of deep dive reviews into the following themes, which mirror the national Value and Sustainability Board: 3.1.1.1 Workforce
Cyfeirnod Cofrestr Risg Datix, Teitl a Sgôr Risg Cyfredol: Datix Risk Register Reference and Score:	Not applicable
Parthau Ansawdd: Domains of Quality Quality and Engagement Act (sharepoint.com)	7. All apply
Galluogwyr Ansawdd: Enablers of Quality: Quality and Engagement Act (sharepoint.com)	1. Leadership 2. Culture and valuing people
Amcanion Strategol y BIP: UHB Strategic Objectives:	1. Striving teams

Nodau Cynllunio 2026/27 Planning Goals 2026/27	1. Healthy, Thriving Teams 5. People First, Digital Always
Hypergyswllt i Amcanion Llesiant HDdUHB 2026 Hyperlink to HDdUHB Well-being Objectives 2026	3. Create people-centred employment and development opportunities that support workforce transformation, reflect the changing needs of health and social care, and nurture leadership at every level
Model Cymdeithasol ar gyfer Iechyd a Llesiant: (wedi'i gwblhau ar gyfer newid strategol a/neu newidiadau sylweddol i wasanaethau) A Social Model for Health and Wellbeing: (*complete for strategic change and/or significant service changes)*	1. A Social Model for Health and Wellbeing will complement and integrate with other ways of working, values, principles and objectives.
Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	NHS Wales analysis of workforce
Rhestr Termau: Glossary of Terms:	CCGs – Clinical Care Groups CIP – Cost Improvement Programme ESR – Electronic Staff Record HCSW – Health Care Support Worker SAS doctor – Specialty, Associate Specialist, and Specialist doctor
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y cyfarfod hwn: Parties / Committees consulted prior to this meeting:	Not applicable

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	Improvement on financial position
Ansawdd / Gofal Claf: Quality / Patient Care:	Improvement on patient care and quality by increase in substantive workforce caring for patients rather than variable workforce

Gweithlu: **Workforce:**	Improvement in working conditions for staff if managed well
Tegwch Iechyd: **Health Equity:**	Not applicable
Risg: **Risk:**	Not applicable
Cyfreithiol: **Legal:**	Not applicable
Enw Da: **Reputational:**	Not applicable
Gyfrinachedd: **Privacy:**	Not applicable
Cydraddoldeb: **Equality:**	Not applicable