GIG CYMRU NHS WALES
Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

Escalation Oversight and Highlight Report

27 August 2026

Lead Executive: Lee Davies - Executive Director of Strategy and Planning

Reporting Officer: Shaun Ayres - Director of Delivery

Purpose and what we have been asked to deliver

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

One letter sets the requirements and the dates: Nick Wood, Deputy Chief Executive NHS Wales, to Phil Kloer, following the Level 4 Escalation Board of 4 August. Issued on 11 August and reissued on 14 August with one sentence clarified, it is the 14 August text that stands. The charge is deliverability: the absence of sufficiently credible trajectories, and the pace at which change is delivered. Therefore, this pack considers the requirements aligned to the Letter but also the wider agenda.

Area	What Welsh Government requires	By when
Finance and savings	Close the savings gap with full confidence to deliver, and deliver a deficit no worse than the current £41.0m forecast	**End of September**
	Convert the current one-off savings into savings that repeat each year	**End of September**
	Submit an agreed route map to financial stability, and explore opportunities to improve on the £41.0m	**End of September**
	Meet Welsh Government on the final recovery plan to balance before it is taken to Board	**Before 24 September**
Clinical services plan	Submit the Board paper and the implementation plan to Welsh Government	**End of August**
Urgent and emergency care	No more than 680 ambulance handovers over one hour, and no more than 7% of patients staying over twelve hours in our emergency departments	**In each of September and October**
	Revise the profile to reach 75% of handovers within 45 minutes: the current profile is “not acceptable”	**Profile to be revised**
Planned care and diagnostics	Improve the end of year trajectory to an acceptable position: “you remain our greatest risk”	**Ahead of 16 September**
	Submit monthly trajectories to NHS Wales Performance and Improvement	**Submitted 7 August**

The dates. The required actions are set ahead of the next meeting, the accountability review on 16 September, while the finance deadlines fall at the end of that month. Urgent care is reviewed at multiple juncture including at the Escalation Board on 9 November and September and October together.

The standard. The conclusion asks for clear evidence of accelerated improvement and delivery, failing which further consideration will be given to the most appropriate next steps. Delivering both urgent care criteria in September and in October is the route by which de-escalation can be considered.

The position as of July

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

The below represents the current position at a glance. The risk register is shown for context only; the risks are reported through the appropriate committees, but it is important to consider the whole position when looking at any plans.

Finance

£21.6m

deficit in the first four months, £7.9m more than planned

ALERT

Savings

£13.0m

gap against the £42.8m target; £29.8m identified so far

ALERT

Variable pay

£60.2m

a year at the current rate; the 30% ask implies £44.5m

ALERT

Risk register

662

live risks, of which 232 need recruitment or staffing to resolve

CONTEXT

Handovers over 1 hour

532

July, against 680 required in September and October

ALERT

Waits over 12 hours

9.2%

July, against 7% required in September and October

ALERT

Delayed pathways

204

July, against a ceiling of 174; worsening

ALERT

Time to assessment

73 min

July, against a 60 minute standard; improved

ADVISE

Ten weeks, eight fixed points

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

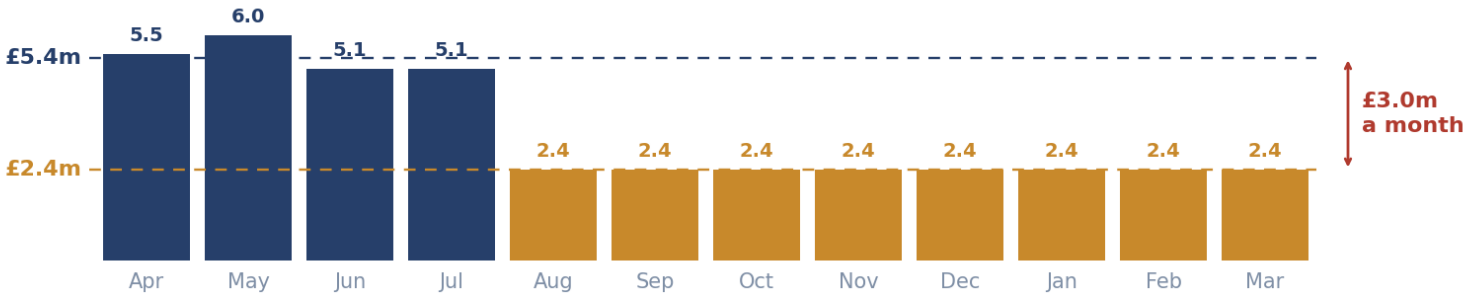
Welsh Government has set the expectations and most of the dates. Gold marks what Welsh Government tests or requirements; navy marks the Health Board deadlines. Two land on the same day: the route map to financial stability and the first urgent care test month both close on 30 September.

From the run rate to £41.0m

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

ALERT

What we have spent, and what is left to spend



Navy is money already spent, £21.6m in four months. Gold is all that is left for the remaining eight months if the year is to land on £41.0m.

Why the savings improvement did not change what we spend

£8.1m of the £8.8m was underspends and a drugs stock review moved from one column to another. Moving a number between columns does not change what the organisation spends.

Where we are. In the first four months the Health Board spent £21.6m more than we received, an average of £5.4m a month. That average is what this report calls the run rate. The plan for the year is a £41.0m deficit, which leaves £19.4m for the remaining eight months, or £2.4m a month.

The gap. Spending needs to reduce by £3.0m a month, every month from August to March. That is £23.8m across the rest of the year. The finance report makes the same point on its own basis: months 1 to 5 average £5.3m and months 6 to 12 must average £2.0m.

Why savings do not close it on their own. In month 4 the savings position improved by £8.8m. £8.1m of that was money we were already not spending, underspends and a drugs stock review, reclassified as savings. Reclassification moves a number between columns. It does not reduce what we spend, so the run rate does not move.

What that leaves. Set the reclassification aside and the year's expenditure position improved by £1.8m in month 4, from £62.2m to £60.4m before further cost reductions are applied. The distance to £41.0m is measured against the run rate, not against the savings total.

Considerations. Welsh Government requires the savings gap closed with full confidence to deliver by 30 September, one-off savings converted into savings that repeat each year, and options to improve on the £41.0m. The mid-year assessment reports to Board on 24 September and may change the forecast reported at month 6.

One workforce to delivery two requirements

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

Both plans are required and are based on a set of workforce assumptions. Therefore, It is the interlock the committee is asked to test and whether the plans are triangulated:

The financial plan requires

- Spend £3.0m a month less than we are spending now, every month to March
- Temporary staffing down £15.7m a year, about a quarter of what we spend on it now
- Vacant posts to stay vacant, because the money they release is holding up the position

Source: The plan behind the £41.0m forecast

The performance plans require

- Emergency department rotas filled at Withybush and Glangwili, on every shift, in September and October
- Between a fifth and a third more CT scanning than we can do now, right through the winter
- More planned care and cancer treatment than we are managing today

Source: The requirements in the letter of 14 August

Both are drawn from the same workforce, in the same weeks

1,048
posts the budget funds that we have not been able to fill

548
still short of a fully staffed rota, even after all temporary cover

232 of 662
risks on our register that need recruitment or staffing to fix

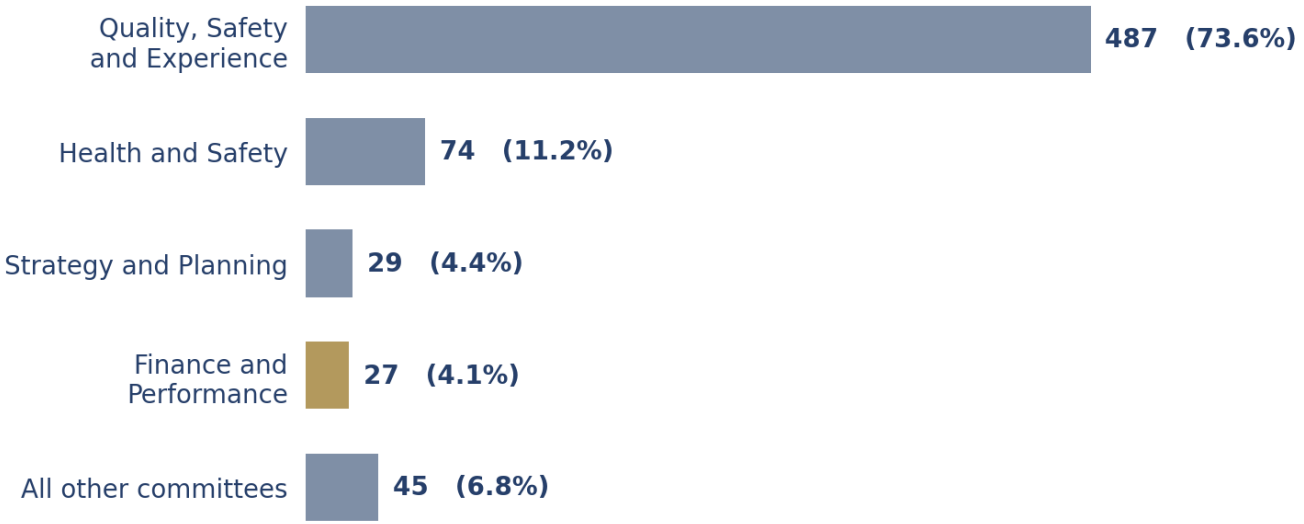
3 of 3
risks we named to Welsh Government are workforce risks

Four clinical care groups carry most of this. Community and Integrated Medicine and Planned and Specialist Care between them hold £8.3m of the £13.0m savings gap, £12.5m of the overspend on day to day running costs, 67 of the most serious risks on our register, and 25 of the 27 risks about urgent care and patient flow. Both are at level 4, our highest internal escalation level. At the first level 4 review the CCGs committed to £10.0m of improvement and have delivered £3.8m. What is asked of them financially and what is asked of them operationally is asked of the same small group of leaders, in the same weeks. The paper poses a question around the 30% reduction in variable pay expenditure (WG planning expectation) and the deliverability of the performance in tantum.

What our own register says about our workforce

The register describes the dependency: 232 of the 662 live risks rely on recruitment or staffing to mitigate. What it does not yet connect is the savings programme to the operational exposure that same staffing carries. However, there are very clear risks aligned to the financial position of the Health Board.

Lead committee for the 662 live risks



What the register does and does not record

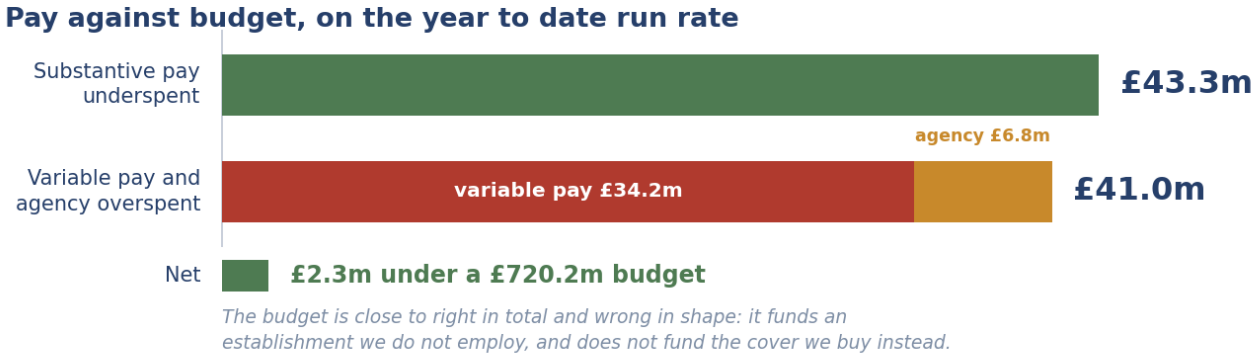
19	of the 662 risks mention savings anywhere
1	mention of the word ambulance in 662 risks
59.3%	of open risk actions are overdue
215	median days overdue

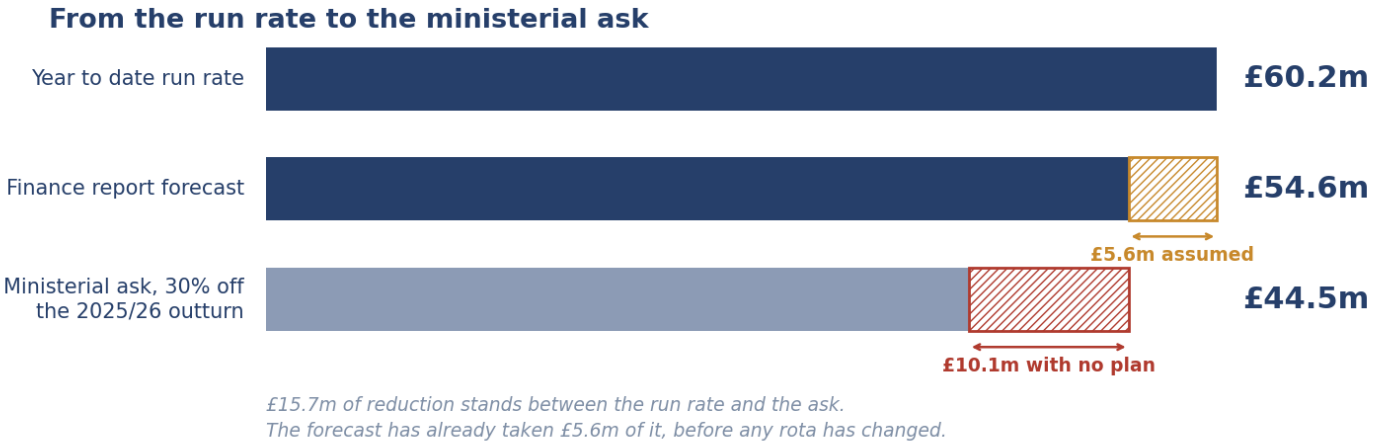
At the Escalation Board on 4 August we named our top three register risks as pathology, ultrasound and emergency department consultant workforce numbers. All three are workforce and capacity risks, and two of them sit in the areas the same letter requires us to improve. We also recorded that we are working internally to triangulated workforce and finance to understand exactly what is included within the funded establishment.. Finance and Performance is lead committee for 27 risks against 487 with Quality, Safety and Experience, and across the whole risk register 59.3% of open actions are overdue at a median of 215 days. A single view/plan connecting savings schemes, staffing dependency and clinical risk is the remedy ahead of the September Board.

Variable pay: what the expenditure highlights

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

ALERT





Position. Variable pay is the cost of temporary staffing: bank, agency, overtime, additional hours and locum cover. On the run rate it costs £60.2m a year with agency, against a combined budget of £19.2m, while permanent pay runs £43.3m below its own budget. Total pay lands £2.3m below a £720.2m budget:.

Basis. This report uses the run rate throughout, which is aligned to the finance report. That report's pay forecast is stated after £19.4m of further cost reductions, £10.5m of it within pay, and reads £9.5m favourable on that basis. Year to date pay is £2.7m adverse..

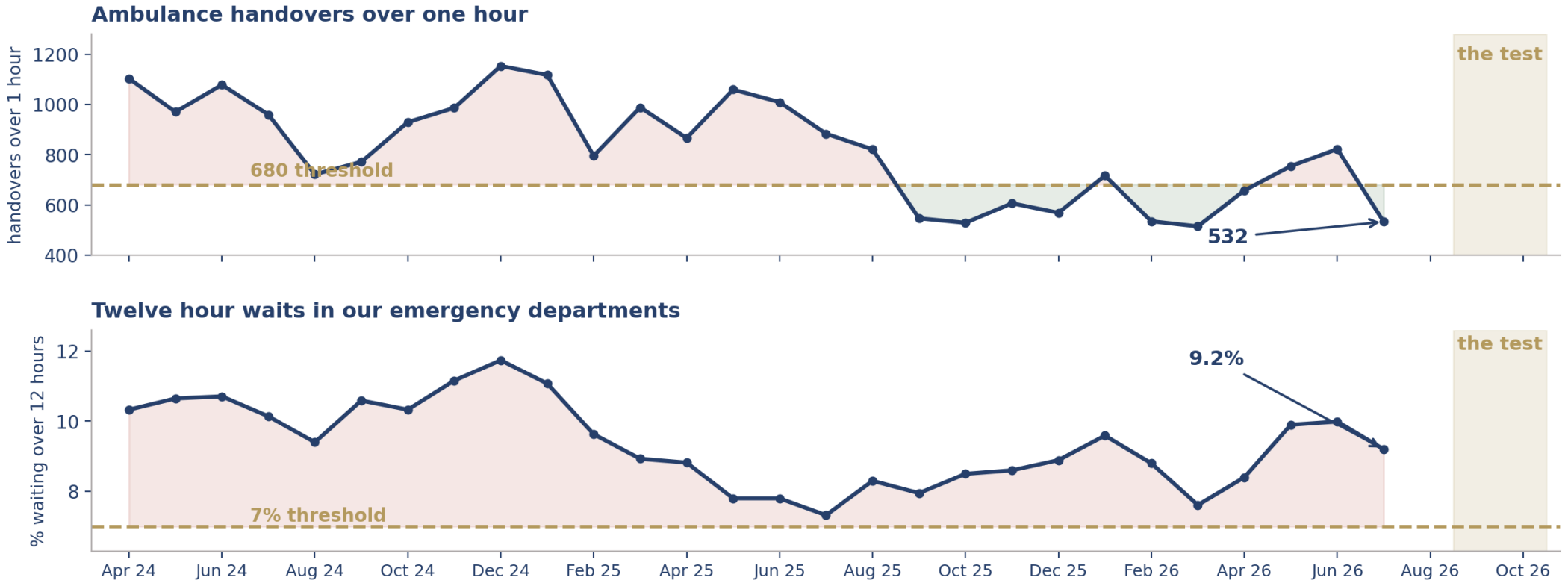
Establishment. Reductions release cash only where a funded vacancy, a roster and the cover being removed line up in the same ward and shift. Community and Integrated Medicine reads as 9.4 medical vacancies but runs 42.5 whole time equivalents above the staffing its budget funds once locum cover is counted, and still holds two extreme emergency department staffing risks. Therefore, being clear on this point will support the committee in understanding how a UEC plan will balance finance, performance and quality?

Considerations. Ministerial priorities require a 30% reduction against the 2025/26 outturn of £63.6m, which implies £44.5m. From the run rate that is £15.7m: £5.6m already assumed inside the forecast and £10.1m with no plan attached. Items 3.2 to 3.4 test both against named rotas.

Urgent Care: the September and October test

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

ALERT

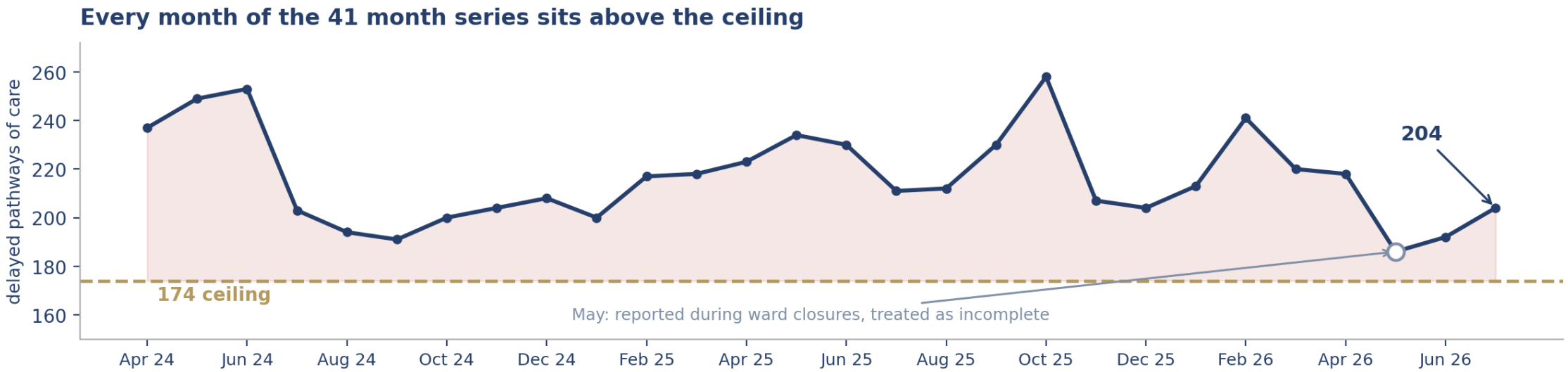


July recorded 532 handovers over one hour and 9.2% of patients waiting over twelve hours, both improved on June. Welsh Government requires no more than 680 handovers and no more than 7% in September and in October, tested at the Escalation Board on 9 November. Across 41 months we have met the handover threshold eight times, all since September 2025; the health board figure has never met the twelve-hour threshold, and the best month recorded is 7.3%. Site variation is the binding constraint: Withybush at 15.8% and Glangwili at 13.4% in July, against Bronglais at 7.0% and Prince Philip at zero. September and October are, in practice, a Withybush and Glangwili test. Two further points sit behind the trajectory: the letter of 14 August records that our current profile to reach 75% of handovers within 45 minutes is not acceptable and requires revision, and the urgent care investment in the annual plan is running late, with item 4.1 reporting a £0.6m benefit from the delay and the agency forecast assuming implementation resumes from September, inside the test window.

Delayed Pathways of Care

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

ALERT



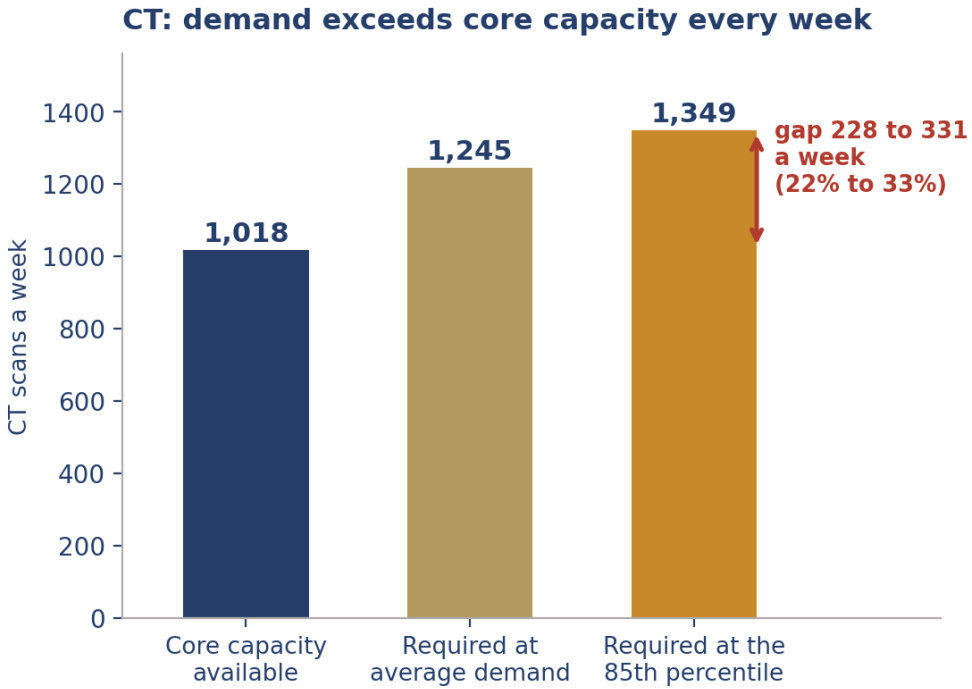
A Delayed Pathway of Care (DPoC) is a patient who no longer require acute hospital but cannot be discharged. This is usually because the care they need next is not yet available. July recorded 204, worse than June. In 41 months of reporting the Health Board have never been at or below the ceiling of 174, and criterion 19 remains at Alert. Two hundred delayed pathways is bed capacity the front door does not have, at exactly the two sites carrying the twelve-hour challenges, so this is the flow constraint sitting behind the urgent care test.

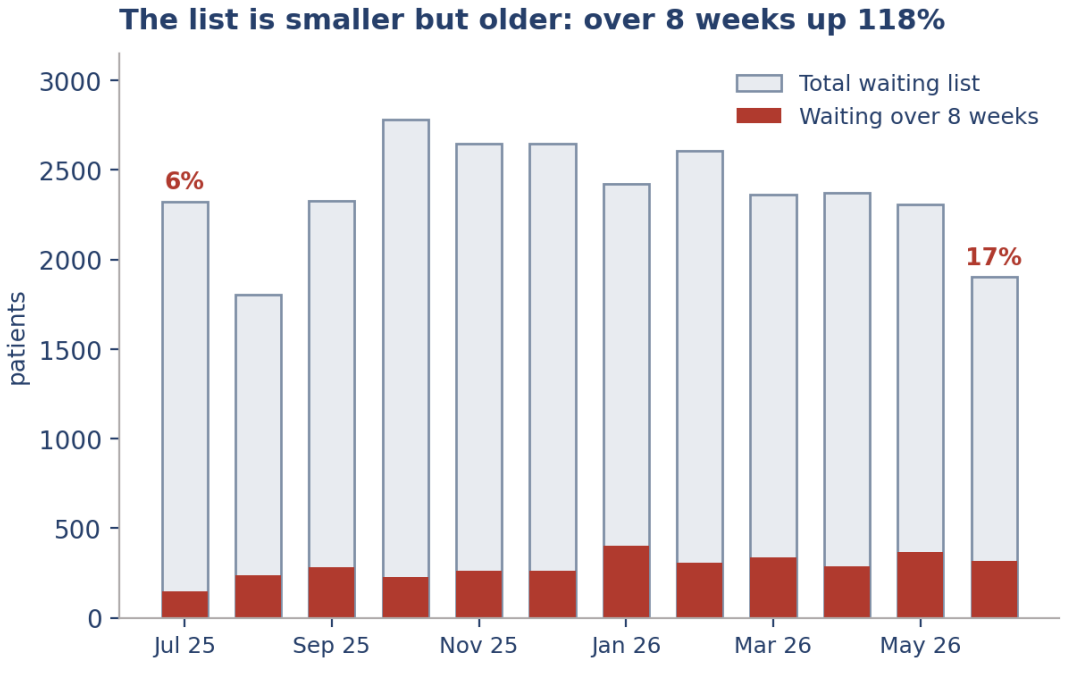
The measure presents the greatest opportunity as highlighted by the structured assessment report. On the 9 December 2025, the structured assessment went to ARAC and highlighted that the average cost per day was circa £500. This resulted in the headline figure of circa £27.741m being lost annually (based on 24/25) to DPoCs. Further, about £2.3m a year of surge staffing, while the routes out of hospital are commissioned and growing: continuing healthcare packages are already circa £3.8m of the 26/27 overspend..

Diagnostics: the radiology gap, quantified

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

Ultrasound is one of the three register risks we named to the Escalation Board on 4 August. The letter requires monthly diagnostics trajectories, submitted on 7 August. The demand and capacity work commissioned by the June committee now quantifies the CT position; item 3.1 presents it in full.





CT demand requires 1,245 scans a week on average and 1,349 in a high week; core capacity provides 1,018, a structural gap of 22% to 33% that is currently bridged by outsourcing, premium sessions and waiting. The waiting list has fallen 18% in a year but aged: patients waiting over eight weeks have more than doubled to 316, one in six of the list. Referral behaviour has also shifted since Rad Plus went live in December: urgent referrals now take half of all capacity, squeezing routine work. Planned scanner maintenance takes 29 scanner weeks out between September and next July, overlapping the urgent care test window and winter. The financial read across is direct: radiology outsourcing is £1.8m of the forecast variance, and each unfilled radiology post becomes premium spend. This is the same structure as variable pay, in outsourcing and capital form.

Welsh Government's requirements

The five delivery areas that carry the requirements of the letter of 14 August, each with what it depends on and the risk we have already recorded against it. Read down the third column.

Area	What the plan requires	What it depends on	The recorded risk	Owner and by when
Finance and savings	Savings gap closed with full confidence to deliver; one-off savings converted into savings that repeat; route map to financial stability submitted	£19.4m of further cost reductions turning into confirmed plans, £10.5m of it within pay	Control total and underlying deficit risks both carry the maximum score of 25	Director of Finance; 30 September
Variable pay and agency	Temporary staffing down £15.7m a year to reach the ministerial ask, of which £5.6m is already assumed inside the forecast	Named rotas, funded vacancies and successful permanent recruitment in a labour market our own register recognised that supply and demand are not in equilibrium.	232 of 662 risks depend on recruitment or staffing to mitigate	Director of Workforce/Chief Operating Officer and OD with care groups; items 3.2 to 3.4
Urgent and emergency care	No more than 680 handovers and no more than 7% over twelve hours, in September and in October	Front door rotas held at Withybush and Glangwili, the delayed urgent care investment landing, and flow out of hospital improving from 204 delayed pathways	Two extreme emergency department medical staffing risks, both in Community and Integrated Medicine	Chief Operating Officer; 31 October
Diagnostics	Monthly trajectories delivered and sustained progress towards the eight week maximum wait	CT capacity up 22% to 33% against core, through a 29 week maintenance programme	Ultrasound named to the Escalation Board as one of our top three register risks	Chief Operating Officer; item 3.1
Planned care	End of year trajectory improved to an acceptable position; 104 week waits eliminated	Recovery activity above current levels, and the funding and theatre capacity to buy it	Named by Welsh Government as our greatest risk	Chief Operating Officer; ahead of 16 September

Every one of the five depends on staff we do not currently employ, or on the same staff being available to more than one plan at once. That is what this report asks the committee to test, and it is the question the deep dives at items 3.1 to 5.1 are best placed to answer.

What we are asking of the Committee

Scrutinise - the deliverability of the five areas at slide 12 (within the respective plans), and in particular whether the actions behind the financial plan and the actions behind the performance plans can be delivered in conjunction with each other.

Endorse - a single combined view of savings schemes, staffing dependency and clinical risk to the September Board, so financial and operational exposure are read together.

Consider and challenge - the read across to items 3.1 to 5.1, so assurance is taken on the whole position rather than on each part in isolation.