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

PWYLLGOR CYLLID A PHERFFORMIAD
FINANCE AND PERFORMANCE COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	30 April 2026
TEITL YR ADRODDIAD: TITLE OF REPORT:	Planned Care and Cancer Trajectories 2026/27
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Andrew Carruthers, Chief Operating Officer
SWYDDOG ADRODD: REPORTING OFFICER:	Paula Goode Clinical Service Director, Lisa Humphrey General Manager Planned Care and Cancer

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

ADRODDIAD SCAA
SBAR REPORT

Sefyllfa / Situation

Hywel Dda University Health Board (HDdUHB) has set out a realistic and risk-led planned care delivery position for 2026/27, within a constrained financial envelope and ongoing targeted intervention arrangements. The Annual Plan confirms sustained improvement and stabilisation across planned care, cancer and diagnostics, while being explicit about the residual demand–capacity gap that remains after all productivity and enabling actions have been applied.

For 2026/27, the Health Board is prioritising safe, timely access for highest-risk patients, protecting cancer performance and diagnostics, and preventing deterioration in referral to treatment (RTT) performance, whilst acknowledging that national standards for RTT, Single Cancer Pathway (SCP) and 8-week diagnostics cannot be fully met without additional investment. The board have signed off the annual plan in March 2026

Cefndir / Background

The NHS Wales Planning Framework 2026–29 and the Cabinet Secretary's letter set clear expectations for planned care. The Health Board's plan will be assessed against the following measures, each addressed in the sections that follow:

- Eliminate all waits over 104 weeks for treatment by March 2027
- Reduce waiting lists over 52 weeks and demonstrate a reduction trajectory for patients waiting over 26 weeks
- Achieve 75% compliance against the Suspected Cancer Pathway standard
- No patients waiting more than eight weeks for a specified diagnostic test
- Achieve 85% theatre utilisation to the *Getting It Right First Time* (GiRFT) standard
- Job plan 90% or more of consultants by September 2026

The Health Board's planned care performance is currently subject to enhanced monitoring arrangements. Cancer performance was de-escalated from Level 3 to Level 1 (routine arrangements) in February 2026, following sustained achievement of the 63% SCP threshold for three consecutive months.

This is a significant milestone, consistent with the position which reflects the sustained focus of the organisation and its clinical teams. The Health Board recognises that performance, whilst meeting the de-escalation criteria, remains below expected standards; the expectation from WG is that performance continues to improve.

Planned care, cancer and diagnostics were subject to significant challenge during 2023–25, contributing to escalation under Targeted Intervention. Since then, the Health Board has delivered:

- Cancer de-escalation to Level 1 (routine arrangements) in February 2026 following sustained SCP performance above de-escalation thresholds.
- Significant productivity improvement across outpatient activity, theatre utilisation, diagnostic throughput and referral management.
- Systematic implementation of national enabling actions, including clinical validation, referral vetting, theatre efficiency and diagnostic stabilisation.

Total Single Cancer Pathway referrals in the period April 2024 to February 2026 were 46,987 (approximately 2,040 per month). Time from suspicion to first booking has improved by 35 per cent over seventeen months (from 19.5 days to 12.6 days).

The diagnostic endoscopy cancer waiting list as of 1 March 2026 stands at 143 patients, with 77 per cent waiting two weeks or less. Some patients on the standard eight-week diagnostic pathway will convert to a cancer pathway.

This is a key risk: the eight-week standard is not only a diagnostic measure but also a cancer risk measure, as delayed diagnostics directly delay cancer diagnosis. A proportion of diagnostic waits therefore convert into cancer pathway activity, meaning the diagnostic stabilisation directly supports cancer performance and reduces planned care RTT pressure.

The 2026/27 Annual Plan has been developed through a risk-led prioritisation process, supported by detailed demand and capacity modelling. It reflects what can be delivered from existing resources, with explicit transparency on the consequences where standards cannot be met.

Asesiad / Assessment

Demand and capacity modelling undertaken through the planning process demonstrates that the Health Board has already delivered strong productivity gains: referral return rates exceeding the Welsh Government (WG) target, the lowest follow-up waiting list in Wales, and systematic clinical validation.

Despite this, the risk register and the capacity analysis identify a residual gap across ophthalmology (Risks 1664, 1066), trauma and orthopaedics (Risk 1256), urology (Risk 2117), dermatology (Risk 21558) and ENT, with patients projected to remain over the 104-week RTT

target in these specialties by March 2027 (Risk 2104). Theatre capacity is the critical constraint (Risks 2028, 2296), compounded by the Glangwili Hospital (GGH) fire safety suspension (Risk 2247). The plan includes funded safer staffing and theatre efficiency programmes but is explicit that the structural estate constraint will persist.

Referral to Treatment

After applying all credible productivity, validation and pathway redesign actions, the Health Board projects:

- **5,507 104-week RTT breaches** by March 2027.
- **9,316 26-week RTT breaches** across a small number of challenged specialties.

The RTT gap is concentrated in five specialties:

Ophthalmology (cataracts) – capacity gap, not productivity failure.
Dermatology – structural consultant workforce deficit.
Trauma and Orthopaedics – impacted by Glangwili theatre estate constraints.
Urology – compounded by diagnostic and theatre capacity constraints.
ENT – already operating above GiRFT utilisation.

All national enabling actions have been implemented:

- 31% referral return rate (above 20% WG target).
- 50% first outpatient outcomes avoiding follow-up.
- 46% removal rate from validated RTT pathways.
- Theatre utilisation improving towards 85% GiRFT standard.

The residual RTT position therefore represents a structural demand–capacity gap, with a total unfunded recovery requirement of £12.5m.

The following table shows the quarterly accumulation of 104-week breaches by specialty (working position). This is the trajectory based on delivery of productivity and efficiency assumptions and no dedicated recovery resources; demonstrating the scale of the challenge behind the £12.5m financial assessment.

Specialty	By June 2026	By September 2026	By December 2026	By March 2027	Year-End	Basis
Ophthalmology	519	1,561	2,653	3,607	**3,607**	Wait/target-date dist.
Dermatology	117	245	357	589	**589**	Wait/target-date dist.
T&O	93	187	275	472	**472**	Wait/target-date dist.
Urology	52	123	260	465	**465**	Wait/target-date dist.
ENT	—	—	—	374	**374**	Wait/target-date dist.
TOTAL (4-spec validated)	**781**	**2,116**	**3,545**	**5,507**	**5,507**	

The 26-week outpatient gap is 9,316 patients across ophthalmology (1,624), dermatology (5,200), ENT (500), neurology (1,222), and rheumatology (770). This figure represents the annual activity and capacity gap after all enabling actions have been applied (referral vetting, SOS/PIFU conversion, first-appointment discharge, clinical validation, and productivity/pathway redesign). The recovery bridge confirms that these volumes are the arithmetic remainder once all credible internal actions have been exhausted

Cancer and Diagnostics

The Health Board's de-escalation from Level 3 to Level 1 for cancer performance in February 2026 is a significant milestone. The risk-led process identified that sustaining this position depends entirely on diagnostic capacity: radiology (Risk 1547), cellular pathology (Risks 1309, 2133), and endoscopy (Risk 1488).

Within the current funding envelope, the plan projects single cancer pathway (SCP) performance in the range of 64-67% (Risks 1350 and 1260), above the de-escalation criterion. Moving towards the national 75% target would require additional capacity funded by WG diagnostic investment that is not yet confirmed for 2026/27 Hywel Dda University Health Board Annual Plan 2026/27 20 (a material risk). The plan is explicit that without continuation of non-recurrent diagnostic funding, a significant regression in both diagnostic and an impact on cancer performance is likely.

Within the current funding envelope and the stabilisation measures, the Health Board's assessment is that a credible and sustainable delivery range of 64 to 67% SCP performance is achievable.

This is the position the Health Board can deliver safely and consistently given current capacity and demand pressures. It meets the previous de-escalation criterion of 63%, sustained for three months, which the Health Board achieved in February 2026. It also represents continued improvement from the historical range of 41% to 56% seen during 2023 and early 2024.

The 64% to 67% range reflects the status quo diagnostic capacity. Without the stabilisation measures the Health Board has in place, the position would not improve; it would hold at this level while demand continues to grow. The Health Board is not describing a trajectory of decline; it is describing the level of performance that the current resource base can sustain.

Single Cancer Pathway (SCP)

Current SCP performance: sustained at 64 to 67%, with a December 2025 position of 65.8%. This level has been sufficient to secure de-escalation to routine arrangements, and the plan maintains performance above de-escalation thresholds throughout 2026/27.
Further improvement towards the 75% national standard is contingent on:

- Additional urology capacity (the largest contributor to SCP backlog).
- Continuation of non-recurrent diagnostic stabilisation funding.
- Increased histopathology and endoscopy capacity, particularly for lower GI pathways.

Argymhelliad / Recommendation

The Finance and Performance Committee is asked to:

- **ENDORSE** the planned care trajectories for 2026/27 as a credible and evidence-based reflection of what can be delivered within the confirmed resource envelope;
- **NOTE** and accept the residual Referral To Treatment, Since Cancer Pathway and diagnostic risk, recognising that:
  - The remaining gaps represent structural demand exceeding funded capacity;
  - All mandated enabling actions and productivity measures are already maximised.
- **SUPPORT** continued prioritisation of cancer and high-risk patients, maintaining Single Cancer Pathway performance above de-escalation thresholds while preventing deterioration in Referral To Treatment;
- **AGREE** to the use the Annual Plan position as a transparent basis for assurance, escalation and future Integrated Medium-Term Plan development, demonstrating organisational grip, realism and patient-safety-led prioritisation.

Amcanion: (rhaid cwblhau) Objectives: (must be completed)	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	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.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Reflected within the body for the report for individual Risk Scores
Parthau Ansawdd: Domains of Quality Quality and Engagement Act (sharepoint.com)	7. All apply
Galluogwyr Ansawdd: Enablers of Quality:	6. All Apply

Quality and Engagement Act (sharepoint.com)	
Amcanion Strategol y BIP: UHB Strategic Objectives:	All Strategic Objectives are applicable
Amcanion Cynllunio Planning Objectives	4 Planned care, diagnostics and cancer Recovery
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:	Not Applicable
Rhestr Termau: Glossary of Terms:	Contained within the body of the report.
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Cyllid a Pherfformiad Parties / Committees consulted prior to Finance and Performance Committee:	Clinical Care Group

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	Already agreed through Annual Plan.
Ansawdd / Gofal Claf: Quality / Patient Care:	Provide timely care to all patients classified as HFR code R1 within 25% of their target date.
Gweithlu: Workforce:	To develop services in line with additional infrastructure through capital investment and further investment in workforce to close the gap of 14.2 clinics per week.

Risg: **Risk:**	Risk outlined in Risk 1664 ('Risk to ophthalmology service delivery due to a national shortage Consultant Ophthalmologists and the inability to recruit').
Cyfreithiol: **Legal:**	Failure as a Health Board and public service provider to look after the health and welfare of our population in line with required standards.
Enw Da: **Reputational:**	Failure as a Health Board and public service provider to look after the health and welfare of our population in line with required standards.
Gyfrinachedd: **Privacy:**	No risk to privacy identified.
Cydraddoldeb: **Equality:**	No risk to equality identified.

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University Health Board

2026/27 Financial Plan De-Risking and Improvement Framework Approach
Finance and Performance Committee

30 April 2026

Objective and 4-Step Improvement Framework

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- **Objective:** Board action taken to de-risk delivery of the 2026/27 Financial Plan and improve beyond to £22m
- **Starting position:** Existing run-rate deficit £54m ↔ £90m
- **WG and Board expectation:** Improve further to a deficit of £22m
- **Approach:** Structured, time-bound, 4-step improvement framework
- **Outcome:** Increased certainty of delivery, strengthened grip, and improved sustainability

4-Step Financial Improvement Framework

1 Stabilise the baseline run rate

Review run-rate, rebutted non-recurrent and mitigation plans

2 De-risk £41m plan delivery

Strengthen assurance around savings plans (£42.8m target)

3 Create Q1 Performance headroom

Early in-year actions to raise performance capacity in Q1 only

4 Accelerate improvement to £22m

Explore opportunities compendium to move from £41m to £22m

Delivery through Executive Portfolio structures via existing routine financial reporting cycle

Remaining opportunities compendium options

Milestones and Timelines

WG Scrutiny Meeting
£41m not supportable or acceptable
12 March 2026

26 March 2026
Board
Plan improvement action from £41m to £22m

Director of Finance Improvement Plan Cascade
Actions issued
27 March 2026

31 March 2026
Plan Submitted to WG
£41m Financial Deficit

WG Reply to Scrutiny Meeting
£41m not supportable or acceptable
31 March 2026

8 April 2026
Executive Team
4-Step Framework shared for review

Chief Executive Review
Improvements to be complied from Executive plans
22, 29-30 April 2026

28 May 2026
Board
Action update to be presented (£41m to £22m)

Detailed 4-Step Improvement Framework

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1. Stabilise and Sustain the Financial Baseline

Confirm a credible opening position that is to be recurrent

- Review the underlying run-rate across pay, non-pay and income, including April 2026 outturn
- Identify and address reliance on non-recurrent measures by making them recurrent
- Clearly articulate residual risk and required mitigations with plans developed to address

Board assurance: A robust, transparent baseline with known risks and mitigations, which addresses the reliance on short-term and unsustainable non-recurrent actions

2. De-Risk Delivery of the Savings Plan

Confirm a credible opening position

- Strengthen assurance over delivery of the £42.8m savings requirement
- Challenge deliverability, timing and recurrence of schemes
- Replace or mitigate under-performing or high-risk plans

Board assurance: A credible, deliverable savings plan with strong ownership and controls

Detailed 4-Step Improvement Framework

3. Improve In-Year Run-Rate Performance

Create headroom and raise ambition

- Drive early in-year performance improvement (Q1 focus)
- Tighten financial grip and performance management
- Use improved run-rate to increase performance expectations

Board assurance: Early financial grip enabling higher confidence in delivery

4. Accelerate Further Financial Improvement

Move beyond plan towards sustainability

- Identify additional opportunities to improve performance beyond plan
- Prioritise recurrent, sustainable impact from opportunities compendium
- Deliver improvement trajectory from £41m to £22m deficit

Board assurance: A credible route to sustained financial improvement

Action Plans (by 22 & 29-30 April CEO Review)

Ref	Executive Action	Owner	Supporting Leads	Intended Outcome
1	Confirm preferred financial and operational option framework approach	Director of Finance	Deputy Director of Finance; Executive Directors	Clear strategic direction agreed to enable planning and assurance
2	Undertake rapid impact assessment of each option (financial sustainability, service/quality impact, workforce, delivery risk)	Executive Directors for their respective Portfolios	Director of Finance; Workforce & OD Director; Medical Director; Director of Nursing	Evidence-based comparison to support decision-making, with patient and staff implications identified
3	Develop implementation plan for preferred option(s), including milestones, governance, and dependencies	Chief Operating Officer	Finance; Planning; TPO	Controlled and realistic delivery plan
4	Refine financial trajectory and assumptions, including mitigations to downside risk	Deputy Director of Finance	Finance; Planning; Performance	Credible financial plan aligned to recovery expectations
5	Engage with Welsh Government on emerging position and options under confidence conditions	Chair; Chief Executive	Director of Finance; Director of Planning & Strategy	Early dialogue to manage risk and maintain trust
6	Prepare escalation Level 4, Programme Management Office and further contingency actions should plans not be deliverable in full	Chief Executive	Executive Team	Organisational readiness and resilience
7	Align internal communications plan to ensure consistent understanding at Executive and senior leadership level	Director of Communications	Chief Executive; Director of Finance; Director of Planning & Strategy	Controlled and consistent messaging
8	Agree timing and route for Board involvement, including private briefing if required	Chair; Chief Executive	Director of Finance; Director of Planning & Strategy	Appropriate governance and decision assurance
9	Establish monitoring and reporting arrangements to track delivery of agreed next steps	Chief Operating Officer	Finance; PMO	Grip, control and early identification of slippage