

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

DYDDIAD Y CYFARFOD: DATE OF MEETING:	30 April 2026
TEITL YR ADRODDIAD: TITLE OF REPORT:	All-Wales Capital Programme 2026/27, Capital Resource Limit and Capital Financial Management
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Huw Thomas, Executive 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 2025/26 Capital Resource Limit (CRL)
- **NOTE** the project updates

Cefndir / Background

This report provides an update on the CRL for 2025/26.

Asesiad / Assessment

The current CRL for 2025/26* has been issued with the following allocations:

Allocation	£'m
All Wales Capital Programme (AWCP)	33.434
Discretionary Programme (DCP)	6.850
Disposal Proceeds	0.019
International Financial Reporting Standards (IFRS) 16 Leases	2.133
Total	42.436

*Adjustments are expected between the AWCP and DCP allocations to account for year end slippages on AWCP schemes.

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

- £0.578m of value added tax (VAT) recovery following completion of the review of the 2024/25 programme.
- £0.923m 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.

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

Scheme	£m	Description
Microbiology Lab Work	0.018	Transfer of funding from public Health Wales for remedial works in microbiology labs at Glangwili
Commercial Research Delivery Equipment Call Funding	0.048	Clinical Research Facility refurbishment and equipment
National Programme Theatre Laptop	0.003	Transfer of funding from HEIW. Laptops for theatre training
Transfer from DHCW - WICIS Monitors	0.005	Transfer of funding from DHCW, to fund monitors for the WICIS (Welsh Intensive Care Information System) project.
Total	0.074	

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)	33.434
Discretionary Programme (gross allocation)	6.850
Disposal Proceeds	0.019
Donations	0.200
International Financial Reporting Standards (IFRS) 16 leases	2.133
Total Resource Available	42.636

The un-audited Capital Expenditure position for 2025/26 is detailed in the table below:

Scheme	Un-audited Spend 2025/26 £m
AWCP	
Glangwili - Fire Enforcement works - Phase 2 - Fees	0.802
Backlog Maintenance - 2024-25	0.995
Diagnostic Equipment 2024-25	0.000
Aberystwyth Sexual Assault Referral Centre	1.801
Block C, Picton Terrace, Carmarthenshire	2.430
Main Chilled Water Plant, Withybush General Hospital	2.539
EFAB - Infrastructure	0.070
Year End Funding – October 2024	0.150
TEF - Fire	0.537
TEF - Infrastructure	2.313
TEF - Decarbonisation	0.011
TEF - Mental Health	1.733
TEF - Infection Prevention Control	0.591
TEF - Decontamination	0.419
Carmarthen Hwb - Equipment and Fit-out costs	1.633

Fishguard Health and Wellbeing Centre	0.054
DPIF - Digital Maternity Cymru System Programme 2025/26	0.203
Non-Radiology Ultrasound Replacement	0.765
DPIF - RISP	0.429
Aseptic Unit, Withybush Hospital	1.658
Gamma Camera/SPECT-CT Upgrade, Withybush General Hospital	0.483
Mental Health Quality and Safety Schemes	1.330
MRI Upgrade, Glangwili General Hospital	1.277
Radiology Ultrasound Replacement, Prince Philip Hospital	0.104
Hospital Helicopter Landing Sites Schemes 2025-26	0.034
Withybush - RAAC Fees and Works VAT Recovery	(0.900)
EFAB VAT Recovery	(0.394)
Front Door Project, Glangwili General Hospital	2.028
Fire Enforcement and Associated Works, Withybush General Hospital - Phase 2	0.879
Decarbonisation Project	1.969
DPIF - Connecting Care	0.655
End of Year Digital Funding 2025-26	0.630
Bronglais - Fire Precaution Upgrade Works - Fees	0.429
Major Infrastructure Investment Plan, Phase 1 BJC Fees	0.061
End of Year Funding 2025-26	1.379
Ultrasound Replacement	0.210
End of Year Digital Funding - December 2025	0.935
End of Year Estates and Equipment Funding - December 2025	0.980
End of Year Funding - January	0.842
End of Year Digital Funding - January	0.300
End of Year Estates Funding - January	0.182
Microbiology Lab Work, Bronglais General Hospital	0.018
Commercial Research Delivery Equipment Call Funding	0.024
Transfer from HEIW for National Programme Theatre Laptop	0.003
Transfer from DHCW - WICIS Monitors	0.005
Sub-total AWCP	32.596
Discretionary	
Digital	2.994
Equipment	2.241
Statutory Compliance	0.409
Estates	1.662
Mental Health	0.06
Other	0.304
Sub-total Discretionary	7.670
Donated & Granted Assets	0.200
IFRS 16	
New and renewed leases	2.133
Sub-total IFRS 16	2.133
TOTAL	42.599

Against the resource available, the unaudited expenditure position for the year is expenditure of £42.599m. This represents an underspend against the CRL of £0.037m

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.

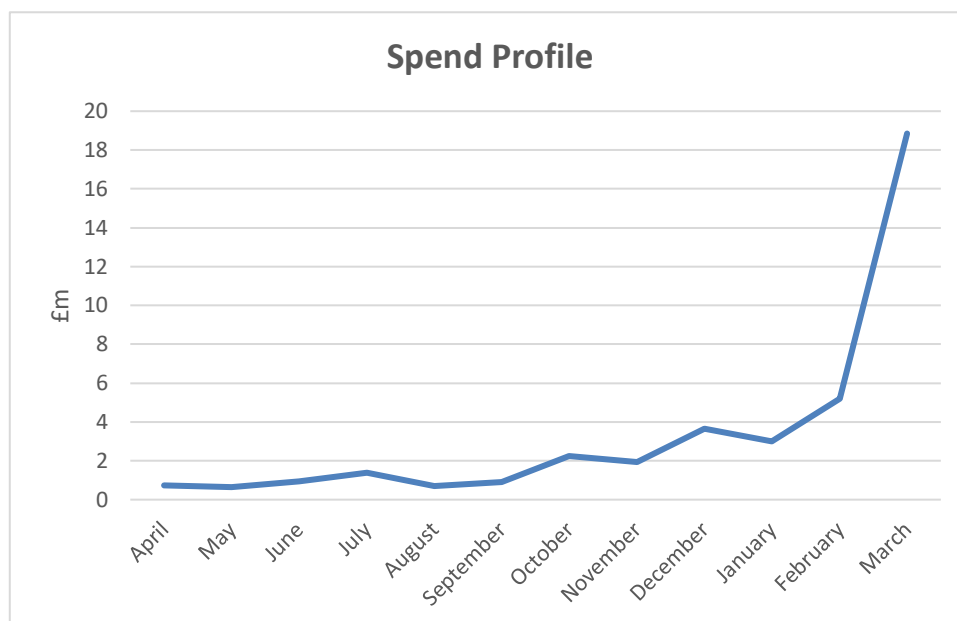
These are detailed below:

Item of equipment	£m
Decarbonisation Project – LED lighting	1.760
Carmarthen Hwb Furniture	0.223
Total	1.983

Capital Spend Profile

The below graph illustrates the significant spend which was incurred in March 2026. Whilst capital spend is typically skewed to the latter quarter of the financial year the below highlights the significant risk which the Health Board had in terms of delivering against the CRL and maximising the capital resource available to it.

An 'additional lessons' learnt exercise will be undertaken building on those steps which had been taken during the review of the 2024/25 capital programme.



CAPITAL SCHEME UPDATES (SCHEMES GREATER THAN £1M)

Withybush Hospital Fluoroscopy and Chiller

The Fluoroscopy scanner has been installed and is operational.

Aberystwyth Sexual Assault Referral Centre (SARC)

The project construction works has achieved completion and unspent funds returned to WG.

Cross Hands Health and Wellbeing Centre

The Health Board have received funding from Welsh Government (WG) to re-develop the Full Business Case within the funding envelope available. This is expected to be completed during 2026/27.

Picton Terrace

Funding has been provided by Welsh Government to develop Corporate Headquarters within Carmarthen. This has rationalised the Health Board estate by reducing a number of freehold and leasehold properties which are currently being occupied. Scheme has progressed as expected and final account is due imminently.

Carmarthen Hwb

This project is led by Carmarthenshire County Council, in partnership with the Health Board and University of Wales Trinity St David. A number of services will be co-located within the building which are currently being delivered across a number of different locations.

Funding has been provided to the Health Board for equipment, furniture and digital items which are in the process of being ordered/bought. Commissioning costs will be deferred to 2026/27 in line with the revised timescale for completion.

Aseptic Unit Withybush

A sustainable compliant Aseptic Unit will be built at Withybush Hospital in advance of the development of a South-West Regional Aseptic Unit. This will ensure that the facilities and delivery of aseptic services within Hywel Dda will meet the required regulatory standards. Whilst there has been a slight delay to the original completion date, the scheme is progressing well with commissioning and occupation of the new unit due to occur towards the end of 2026.

Same Day Emergency Care, Glangwili Hospital

Works to increase capacity in the Same Day Emergency Care (SDEC) service at Glangwili Hospital (GGH) commenced in November 2025 and have completed in March 2026.

Decarbonisation Project

Funding has been provided towards several energy performance improvements across Health Board sites.

Withybush Hospital Fire Enforcement - Phase 2

Phase 2 of the major Fire Precaution Upgrade works at Withybush Hospital (WGH) started on site in January 2026, with programme completion currently October 2027.

Funding of £8.175m has been provided, with £0.912m in the current year, with the project currently forecast to be within budget, and expenditure to 31 March 2026 is in line with the current year allocation.

Argymhelliad / Recommendation

The Finance and Performance Committee is requested to:

- **NOTE** the draft year end outturn against the CRL for 2025/26, 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: 3.5.3 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.

Partïon / 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.
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 2025/26:

Scheme	Total £'m	Additional £'m	Costs included in current budgets (replacements) £'m
AWCP			
Glangwili - Fire Enforcement works - Phase 2 - Fees	0.00	0.00	0.00
Backlog Maintenance - 2024-25	0.00	0.00	0.00
Diagnostic Equipment - WBH Fluro & Chilled Water Plant	0.00	0.00	0.00
Aberystwyth Sexual Assault Referral Centre	0.00	0.00	0.00
Block C, Picton Terrace, Carmarthenshire	Occupation expected to generate efficiencies of at least £100k through rationalisation of freehold and leasehold estate.		
EFAB - Infrastructure	0.00	0.00	0.00
EOY Funding 24/25 - Pentre Awel	0.48	0.48	0.00
TEF - Fire	0.00	0.00	0.00
TEF - Infrastructure	0.00	0.00	0.00
TEF - Decarbonisation	0.00	0.00	0.00
TEF - Mental Health	0.00	0.00	0.00
TEF - Infection Prevention Control	0.00	0.00	0.00
TEF - Decontamination	0.00	0.00	0.00
DPIF (Digital Priorities Investment Fund) - RISP	Business Case approved by Board in 2023. Minimal additional revenue costs expected over the life of the contract.		
Digital Maternity Cymru System Programme 2025/26	Business Case approved by March '2025 Board. Project expected to generate a net revenue saving through cost avoidance / efficiency.		
Non-Radiology Ultrasound Replacement	0.08	0.00	0.08
Aseptic Unit, Withybush Hospital	Efficiencies of at least £0.033m will be generated		
Carmarthen Hwb - Equipment and Fit-out costs	0.45	0.45	0.00
Fishguard Health and Wellbeing Centre	Business case under development – revenue consequences of project not yet known		
Non-Radiology Ultrasound Replacement	0.00	0.00	0.00
Gamma Camera Upgrade, WGH	0.00	0.00	0.00
Mental Health Quality and Safety Schemes	0.00	0.00	0.00
MRI Upgrade, GGH	0.00	0.00	0.00
Radiology Ultrasound Replacement, PPH	0.00	0.00	0.00
Hospital Helicopter Landing Sites	0.00	0.00	0.00
SDEC Front Door Project, GGH	0.00	0.00	0.00
Fire Enforcement WGH – Phase 2	0.00	0.00	0.00

Decarbonisation Project	Spend to save project. Revenue savings will be utilised to repay capital costs.		
	DPIF – Connecting Care	0.00	0.00
End of Year Digital Funding 2025/26	0.00	0.00	0.00
Bronglais - Fire Precaution Upgrade Works - Fees	0.00	0.00	0.00
Major Infrastructure Investment Plan, Phase 1 BJC Fees	0.00	0.00	0.00
End of Year Funding 2025-26	0.00	0.00	0.00
Ultrasound Replacement	0.00	0.00	0.00
End of Year Digital Funding - December 2025	0.00	0.00	0.00
End of Year Estates and Equipment Funding - December 2025	0.00	0.00	0.00
End of Year Funding - January	0.00	0.00	0.00
End of Year Digital Funding - January	0.00	0.00	0.00
End of Year Estates Funding - January	0.00	0.00	0.00
Sub-total AWCP	1.01	0.93	0.08
Discretionary			
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	1.19	0.93	0.26

The above table shows the total revenue costs as a consequence of capital expenditure in 2024/25 as £1.19m. Total additional costs are estimated at £0.93m and costs assumed to be included in current revenue budgets, as they are equipment replacements, totals £0.26m.

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.