



**PWYLLGOR DIWYLLIANT, POBL A DATBLYGU SEFYDLIADOL
PEOPLE, ORGANISATIONAL DEVELOPMENT & CULTURE COMMITTEE**

DYDDIAD Y CYFARFOD: DATE OF MEETING:	19 May 2026
TEITL YR ADRODDIAD: TITLE OF REPORT:	Workforce Efficiency Update
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Lisa Gostling, Executive Director of Workforce & Organisational Development/Deputy Chief Executive
SWYDDOG ADRODD: REPORTING OFFICER:	Tracy Walmsley, Assistant Director of People Planning

Pwrpas yr Adroddiad (dewiswch fel yn addas)

Purpose of the Report (select as appropriate)

Er Sicrwydd/For Assurance

ADRODDIAD SCAA

SBAR REPORT

Sefyllfa / Situation

This paper provides an update on workforce efficiency and stabilisation progress across professional staff groups, with a specific focus on agency and variable pay in line with the Welsh Government Agency Workforce Reduction Programme and Control Framework.

The update highlights areas where material improvement has been achieved, alongside areas where reliance on agency or bank staffing remains a concern and requires further focused intervention.

Cefndir / Background

The Health Board has established a number of stabilisation programmes under the wider people stabilisation agenda, including Nursing, Medical, Allied Health Professions & Healthcare Sciences (AHP/HCS), Administrative & Clerical, and Estates & Facilities.

These programmes aim to reduce reliance on agency staffing, improve workforce sustainability, and maximise people effectiveness, while ensuring patient safety and service continuity.

The Welsh Health Circular requires a minimum 30% reduction in agency usage, with Health Boards expected to demonstrate grip, control and sustainability through strengthened governance, workforce planning, and operational management.

Asesiad / Assessment

Nursing Stabilisation – Agency

Nursing agency performance demonstrates significant and sustained improvement, with the 30% reduction target met. Agency expenditure reduced from £11.07m in 2025/26 to £4.24m in 2026/27, representing a £6.83m reduction (61.7%) year-on-year. This reflects strong progress in stabilising the nursing workforce and reducing overall reliance on agency staffing.

However, despite this improvement, detailed analysis highlights persistent underlying operational drivers that continue to generate variable pay and agency use.

The most significant issue is roster efficiency, with most of the variable pay occurring overnight. Average night usage accounts for approximately 53% of nursing agency usage, indicating that agency staff are being used as a baseline component of night cover, rather than primarily for short-notice escalation. This reflects rosters being planned across day and late shifts, with night cover subsequently filled through bank, overtime, additional hours, and agency.

Further challenges persist in the management of annual leave and study leave, particularly during peak periods.

Evidence indicates leave is consistently being granted above agreed headroom thresholds, creating unavoidable staffing gaps that are subsequently covered through variable pay and agency. In addition, demand-led pressures remain consistent, including surge, enhanced patient support, and increased acuity, where unfunded increases in demand (additional beds, Emergency Department (ED) surge, and patient boarding) necessitate additional staffing to mitigate patient safety risk.

It is notable that there remains Healthcare Support Worker (HCSW) agency usage within Mental Health & Learning Disabilities, with only a small residual HCSW agency position (£47,689). This is expected to reduce further through S136 service configuration and substantiation of the workforce.

Overall, while the reduction target has been achieved, sustaining this position will require a renewed, focused approach to nursing rostering efficiency, strengthened leave governance, and a shift toward short-notice cover models to maximise people effectiveness.

Medical Stabilisation – Agency

Medical agency usage has not achieved the 30% reduction target required by the Welsh Health Circular. Expenditure increased marginally from £4.68m in 2025/26 to £4.77m in 2026/27, representing a £0.09m increase (1.9%) year-on-year.

This indicates that, despite established controls and exit planning, reliance on medical agency staffing remains unchanged.

Medical agency usage continues to be vacancy-driven, highlighting fragility across a number of services. Consultant-level agency reliance remains particularly evident in some areas, notably Unscheduled Care and Acute Services, where workforce instability presents a risk to service sustainability.

Challenges also exist in exiting agency workers once substantive staff are recruited, due to variation in induction and onboarding requirements between services, which has not yet been fully mapped. This contributes to delayed exits and, in some cases, double running.

Alongside agency usage, internal medical locum expenditure remains significant, with spend reaching £25.6m in-year, concentrated within Community & Integrated Medicine (£7.14m), Planned & Specialist Care (£10.6m), and Primary Care (£6.2m). Control measures have been strengthened through the introduction of a Health Board-wide rate card for hourly medical locum payments and enhanced monitoring and challenge of requests that fall outside agreed processes.

An ongoing programme of work is underway to better understand safe staffing requirements, align vacancy scenario planning with workforce pipelines, and triangulate agency, additional duty hours and establishment through a tiered workforce planning approach.

Allied Health Professions & Healthcare Sciences

AHP/HCS agency usage has not met the 30% reduction target, with expenditure increasing from £977,680 in 2025/26 to £1.30m in 2026/27, a £318k increase (32.6%).

This demonstrates deterioration in-year, although there are early signs of improvement over the most recent two months, following strengthened Financial Control Sub-Group authorisation, clearer agency exit planning and increased bank utilisation to manage risk, particularly within physiotherapy.

A significant limiting factor for this professional group remains the absence of electronic rostering, meaning Whole Time Equivalent usage, reason codes, and filled/unfilled trends cannot currently be evidenced with the same level of assurance as nursing and medical staff.

This remains a key dependency for improving grip and demonstrating sustainable efficiency improvements.

Administrative & Clerical

Administrative and Clerical services continue to demonstrate sustained improvement, with no agency usage recorded since November 2024, reflecting continued adherence to strengthened variable pay and agency controls.

Overtime usage within Administrative and Clerical remains challenging with spend this year £420k, this usage is a costly premium against the use of bank or additional hours to mitigate additional demand, it is recommended a full Administrative and Clerical review be undertaken with refreshed controls around variable pay usage.

Estates & Facilities

There is no agency usage within Estates & Facilities; however, bank utilisation has not reduced, with spend reported at £1.6m in-year. Usage equates to an average requirement of approximately 40 Whole Time Equivalent (WTE) per month, primarily driven by short-term sickness, vacancies, and authorised absence.

This indicates that while agency reliance has been removed, underlying workforce supply, absence and rostering challenges remain unresolved, and efficiency gains have yet to be fully realised.

Support will continue to focus on:

- Nursing rostering efficiency and leave governance.
- Medical workforce pipeline development, induction standardisation and exit plan delivery.
- Improved data grip for AHP/HCS, including progression toward electronic rostering.
- Further action to address persistent bank reliance within Estates & Facilities.

The Committee will continue to receive future updates on progress through workforce planning, stabilisation, and variable pay governance arrangements.

Argymhelliad / Recommendation

The Committee is asked to:

- **RECEIVE ASSURANCE** from the Workforce Efficiency Update which evidences significant and sustained improvement achieved in nursing agency usage, alongside the continued zero-agency position for Administrative & Clerical staff.
- **ACKNOWLEDGE** that medical and AHP/HCS agency usage has not met the required reduction target and remains vacancy and demand driven.

Amcanion: (rhaid cwblhau) Objectives: (must be completed)	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	2.3 To provide assurance to the Board on the organisation's ability to create and manage strong, high performance, organisational culture arrangements
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	N/a
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:	All Strategic Objectives are applicable
Amcanion Cynllunio Planning Objectives	1 Workforce Stabilisation
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2021-2022	2. Develop a skilled and flexible workforce to meet the changing needs of the modern NHS

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Annex 1 – Key Delivery Expectations for 2026-27
Rhestr Termiau: Glossary of Terms:	Cabinet Secretary for Health and Social Care Letter: NHS Wales Planning Framework
Partion / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Diwylliant, Pobl a Datblygu Sefydliadol:	Value and Sustainability Group Medical Workforce Planning Group Financial Control Subgroup

Parties / Committees consulted prior to People, Organisational Development & Culture Committee:	
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Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	Not directly related undertaken at local & operational levels
Ansawdd / Gofal Claf: Quality / Patient Care:	Not directly related undertaken at local & operational levels
Gweithlu: Workforce:	Strategic programme of work, does not directly impact one service area
Risg: Risk:	Links to Principal and Corporate Risks for People Planning for 25/26 as contained in Datix
Cyfreithiol: Legal:	Not directly related undertaken at local & operational levels
Enw Da: Reputational:	Strategic programme of work, assessed locally.
Gyfrinachedd: Privacy:	Strategic programme of work
Cydraddoldeb: Equality:	No strategic programme of work