

**PWYLLGOR STRATEGAETH A CHYNLLUNIO
STRATEGY AND PLANNING COMMITTEE**

DYDDIAD Y CYFARFOD: DATE OF MEETING:	30 October 2025
TEITL YR ADRODDIAD: TITLE OF REPORT:	Capital Programme for 2025/26 and Capital Governance Update Report
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Lee Davies, Executive Director of Strategy and Planning
SWYDDOG ADRODD: REPORTING OFFICER:	Eldeg Rosser, Head of Capital 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 report is presented to the Strategy and Planning Committee (SPC) to:

- Update on the 2025/26 Capital Programme and Capital Resource Limit (CRL) for 2025/26
- Update on the allocation of the Discretionary Capital Programme (DCP) for 2025/26
- Notify the SPC of the contracts that may require sealing during 2025/26
- Provide a capital schemes governance update
- Update from Capital Sub-Committee (CSC)

Cefndir / Background

This report provides an update on the 2025/26 DCP. It follows on from the report and discussion at the SPC meeting held on 28 August 2025 and the CSC meeting held on 18 September 2025.

The available capital allocation for 2025/26 will provide Hywel Dda University Health Board (HDdUHB) with a significant challenge and risk in trying to address the historical backlog in:

- Medical and non-medical equipment
- Informatics and Digital infrastructure and equipment
- Estates, statutory and infrastructure

Risk

The corporate risk 1196 states:

There is a risk the Health Board is not able to provide safe, sustainable, accessible and kind services. This is caused by insufficient investment to ensure appropriate facilities, medical equipment and digital infrastructure of an appropriate standard. This could lead to an impact/effect on the Health Board's ability to deliver its strategic objectives, service improvement/ development, statutory compliance (i.e., fire, health and safety) and delivery of day-to-day patient care.

Discretionary Allocation Use

The terms of the Discretionary Capital Allocation letter from Welsh Government (WG) state:

Discretionary capital is that allocated directly to NHS organisations for the following priority obligations across all healthcare settings: Meeting statutory obligations, such as health and safety and Firecode; maintaining the fabric of the estate; and the timely replacement of equipment.

The prioritisation process for DCP includes representation from Executive portfolios at the Capital Planning Group (CPG) which reports to the CSC, and the position set out is consistent with that reported to the Sustainable Resources Committee (SRC).

Asesiad / Assessment

Capital Resource Limit 2025/26

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

Allocation	£'m
All Wales Capital Programme (AWCP)	27.950
Discretionary Programme* (DCP)	6.850
International Financial Reporting Standard (IFRS) 16 Leases	0.281
Total	35.081

*The Health Board received DCP of £10m in 2025/26. A contribution of £2.205m has been made towards the Targeted Estates Fund schemes within AWCP. A further £0.945m has been paid back to the AWCP to account for capital scheme slippages in 2024/25.

Since the last report the following amendments have been made to the CRL:

Scheme	£m	Description
Backlog Maintenance - 2024-25	(0.144)	Funding returned to WG due to underspend
Aberystwyth Sexual Assault Referral Centre (SARC)	(0.300)	Funding returned to WG due to underspend
Aseptic Unit, Withybush Hospital	(1.800)	Deferral of funding to align with current project expected timeline
Targeted Estates Fund (TEF)	1.006	Additional Targeted Estates Fund (TEF) funding
Gamma Camera Upgrade, Withybush Hospital (WGH)	0.481	Upgrade of Gamma Camera at WGH
Mental Health Quality and Safety Schemes	1.381	New allocation for a number of schemes relating to improving mental health facilities
Fishguard Health and Wellbeing Centre	(1.500)	Deferral of funding to align with current project expected timeline
Magnetic Resonance Imaging (MRI) Upgrade, Glangwili Hospital (GGH)	1.324	Upgrade of MRI at GGH
Radiology Ultrasound Replacement, Prince Philip Hospital (PPH)	0.138	New allocation
Hospital Helicopter Landing Sites	0.064	Funding towards compliance works required at hospital helicopter landing sites
Total	0.650	

Risk associated with delivery of 2025/26 Capital Resource Limit

A risk is currently being drafted highlighting the risk of not meeting the CRL.

There are a number of contributory factors towards the assessment of this risk:

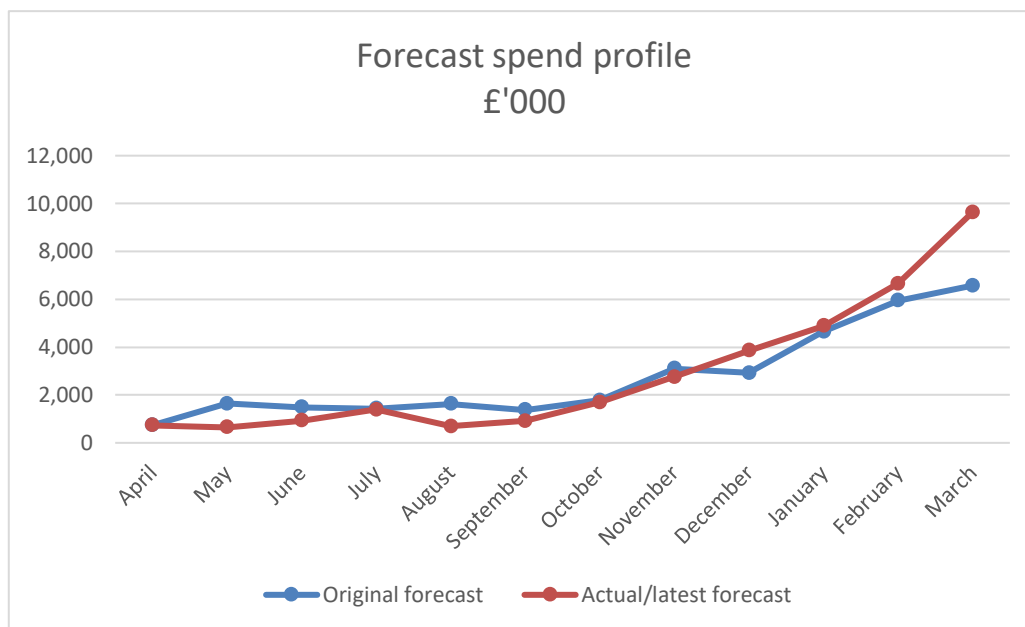
- Uncertainty regarding funding allocations from WG.
The Discretionary Capital Programme has been over-committed in anticipation of a funding allocation of £0.845m towards the urgent remedial works required to the concrete cladding at WGH. Correspondence received from WG states that we will not know the outcome of this funding request until at least November 2025.
- Spend against the capital programme is currently at 15.6% of the allocated budget which is significantly lower than previous financial years.
- Furthermore, committed spend against the programme (via approved purchase orders) is at 31.3%.

Expenditure Profile Forecast

The below chart shows current forecast expenditure compared with the original forecast.

Expenditure for August and September 2025 is lower than forecast due to:

- Aberystwyth SARC (£0.16m) – forecast underspend against project declared and £0.3m funding now returned to WG
- Pentre Awel – (£0.12m) – no risks to delivery by year end flagged at this point
- Carmarthen Hwb – (£0.5m) - no risks to delivery by year end flagged at this point
- TEF schemes – (£0.34m) – risks to forecast TEF expenditure are expanded on later in this report



Capital Expenditure Plan

The following table shows the capital expenditure plan for 2025/26 with expenditure incurred to date. Included against discretionary Estates Infrastructure is planned expenditure of £0.845m for the WGH Cladding scheme, for which funding has been requested from WG. If this is not received, then £0.845m of discretionary funded schemes will need to be deferred to next year or cancelled to avoid an overspend against the CRL.

Consequently, the table below shows planned expenditure £0.845m greater than the current CRL:

Scheme	Planned Spend 2025/26 £m	Cumulative Spend Apr-Sept £m	Spend Sept £m	Remaining balance £m
AWCP				
GGH - Fire Enforcement works - Phase 2 - Fees	0.779	0.520	0.022	0.259
Backlog Maintenance – (slippage from 2024-25)	1.324	0.367	0.024	0.957
Aberystwyth SARC	2.067	1.596	0.151	0.471
Block C, Picton Terrace, Carmarthenshire	2.488	0.656	0.141	1.832
Diagnostic Equipment - WGH Fluro and Chilled Water Plant	2.570	0.026	0.004	2.544
Estates Funding Advisory Board (EFAB) - Infrastructure	0.127	0.004	0.000	0.123
End of Year (EOY) Funding 2024/25 – (Pentre Awel)	0.400	0.095	0.001	0.305
TEF - Fire	0.570	0.000	0.000	0.570
TEF - Infrastructure	4.480	0.044	0.042	4.436
TEF - Decarbonisation	0.300	0.000	0.000	0.300
TEF - Mental Health	1.684	0.002	0.000	1.682
TEF - Infection Prevention Control	0.569	0.248	0.012	0.321
TEF - Decontamination	0.576	0.000	0.000	0.576
Carmarthen Hwb - Equipment and Fit-out costs	3.518	0.001	0.000	3.517
Fishguard Health and Wellbeing Centre	0.067	0.027	0.005	0.040
Digital Priorities Investment Fund (DPIF) - Digital Maternity Cymru System Programme 2025/26	0.100	0.000	0.000	0.100
Non-Radiology Ultrasound Replacement	0.761	0.000	0.000	0.761
DPIF – (Radiology Informatics System Procurement (RISP))	0.429	0.000	0.000	0.429
Aseptic Unit, WGH	1.753	0.009	0.004	1.744
Gamma Camera Upgrade, WGH	0.481	0.007	0.007	0.474
Mental Health Quality and Safety Schemes	1.381	0.030	0.030	1.351
MRI Upgrade, GGH	1.324	0.000	0.000	1.324
Radiology Ultrasound Replacement, PPH	0.138	0.000	0.000	0.138

Hospital Helicopter Landing Sites	0.064	0.000	0.000	0.064
Sub-total AWCP	27.950	3.632	0.443	24.318
Discretionary				
IT	1.687	0.304	0.045	1.383
Equipment	1.683	0.579	0.105	1.103
Estates – Statutory	0.450	0.100	0.044	0.350
Estates Infrastructure	3.052	0.290	0.233	2.762
Mental Health	0.000	0.000	0.000	0.000
Other	0.823	0.407	0.045	0.416
Sub-total Discretionary	7.695	1.680	0.472	6.015
IFRS 16	0.281	0.281	0.000	0.281
TOTAL expenditure	35.926	5.593	0.915	30.614
CRL	35.081			
Overspend	0.845			

Confirmation of CRL by end of October

The Health Board is required to confirm end of year capital scheme forecasts by the end of October to WG. The CRL is then fixed for the financial year. Any changes to the CRL following that would only occur due to new approved funding allocations.

The risk of over / under spending against the CRL materialises at this point.

Discretionary Capital Allocation (DCP)

HDdUHB's Discretionary Capital Allocation for 2025/26 increased to **£10.000m**, an increase of nearly 35% on the 2024/25 level. Whilst this news was positive, it needs to be considered in the context of a combined backlog of c£300m across the estate, medical equipment and IM&T.

The current estimated value of the backlog is

- £266m Estates backlog
- £26.6m Medical Devices
- £15-£18m Digital backlog

The following split of allocations was agreed by the Board in March 2025.

Discretionary Capital Programme 2025/26	
	£m
Pre-Commitment	3.959
Business Case Development	0.400
Capital Support	0.200
Contingency Reserve	1.000
Opportunity risks	0.941
Spend to Save	0.300
Refurbishment of clinical areas	1.000
Statutory and estates programme	0.450
Equipment	0.500

Digital	0.500
Allocation via matrix	0.750
Total	10.000

As additional allocations become available during the year through VAT recovery and other opportunities the use of these allocations will be reviewed and reported.

Additional allocations

HDdUHB has submitted additional bids to WG for:

- **Radiology Replacement equipment**

Confirmation has now been received of the following funding:

- Nuclear Medicine equipment upgrade WGH - £0.481m
- Upgrade MRI in GGH - £1.324m
- Ultrasound replacement PPH - £0.138m

- **Ultrasound Scanners outside of radiology**

HDdUHB has been awarded £0.771m of funding to progress with the procurement of the 10 scanners.

- **Accelerating TEF schemes from 2026/27**

HDdUHB has submitted a schedule of bids that can be brought forward from 2026/27 and delivered in 2025/26 to WG. Confirmation that HDdUHB will receive an additional £0.704m funding from WG in 2025/26 has been received.

WG is also considering the funding of additional TEF schemes which can be brought forward from 2026/27 into 2025/26.

- **Mental Health Estates Targeted Improvements Bids**

Confirmation that £1.381m of funding has been made available for the schemes listed below has been received.

- External improvements to Psychiatric Intensive Care Unit, Low Secure and High Dependency Units and internal works for anti-ligature-type and replacement salto-system throughout to improve patient/staff safety and security
- Improvement works at Bryngofal, PPH
- Undertake a range of works to improve patient and staff safety and to enhance environment at Child and Adolescent Mental Health Services (CAMHS) sites and St Non's
- Mental Health and Learning Disability inpatient bedroom furniture replacement.

End of Year 2025/26

HDdUHB has submitted bids to WG for:

- **Digital Capital Investment 2025-26**

Bids were focussed on

- Investments in IT equipment and systems (e.g. hardware refreshed, network upgrades and cyber security enhancements)
- Improvement to the digital toolkit used in daily operations (e.g. software, platforms, workflow)
- Any infrastructure upgrades that support the delivery of services

- **End of Year All Wales Capital**

Bids for any capital investment schemes that can be delivered within 2025-26 financial year

Use of Contingency

The original allocation of £1.000m contingency was increased by an additional £0.750m following a review of the balance sheet and confirmed VAT recovery. There are some items of risk and expenditure that may need to be managed in 2025/26 such as the additional cost of remedial works to concrete cladding in WGH. Discussions with WG are being held around the potential funding of some of these items.

Discretionary Capital Programme 2025/26	
	£m
Digital Maternity	0.048
Blow down vessel Boiler House, PPH	0.023
Dental Chair enabling works	0.017
CHP replacement	0.160
MRI Chiller GGH	0.069
Fire Doors - Radiology/Pathology/AVH	0.100
Roof Leak Repairs	0.041
Helipad Lighting and other works	0.030
Mortuary Compressor - additional costs	0.002
Concrete cladding issue (Scaffolding)	0.103
Concrete cladding issue (further costs)	0.325
Additional cost concrete cladding	0.398
Installation of Cooling Unit - following Healthcare Inspectorate Wales (HIW) inspection	0.013
Formalin Cabinet replacement BGH	0.021
Replacement of endoscopic probes	0.036
Works to PPH Body Store	0.023
Vapotherm replacement Cilgerran Ward	0.015
Ty Cadell roof	0.042
Fire alarms Tenby Surgery	0.022
PPH Hoval Burners	0.032
PPH Chiller	0.040
PPH roof survey	0.075
Bronglais Hospital (BGH) generator piling works	0.070
Endoscopy BGH	0.120
Windows 11 cardiology equipment	0.149

Fishguard Clinic damage	0.048
Ultrasound probe replacement	0.006
Autopsy saw	0.007
Enabling works Microbiology autoclave WGH	0.040
Microdebrider	0.031
Gas Scavenging System replacement theatres	0.023
Total	2.128

This leave an overcommitment of £1.128m against the original allocation

Additional VAT recovery of £0.500m has recently been identified associated with DCP schemes, this along with underspends on precommitment from previous years has enabled us to top up our contingency to £3.124m

Operational risk/Opportunity

It is also proposed that £0.225m of the additional VAT which has been identified is used to increase the original allocation of £0.941m to £1.166m. The following amounts have been committed

Discretionary Capital Programme 2025/26	
	£m
Relining	0.085
TEF Cwm Seren	0.168
Additional TEF DCP contribution	0.139
Nasendoscopes x 4	0.087
Sensory garden PPH	0.026
Contribution to Cross Hands Fees in 24/25	0.250
Digital storage ECG	0.088
Total	0.843

This leaves a balance against this allocation of £0.323m

Spend to Save

All of the £0.300m spend to save allocation has been committed to the Combined Heat and Power (CHP) replacement scheme.

Of the additional VAT which has been identified it is proposed to increase the Spend to Save allocation by £0.200m.

Potential contracts for sealing

The Board has approved the distribution of HDdUHB's capital allocation and plan. The delivery of this plan requires the Health Board to enter works and construction contracts which may require sealing. Works and construction contracts executed under seal provide an extended latent defects period cover, an extension from six years to 12 years.

Schemes listed in Annex 1, are the schedule of projects that are currently in our capital plan for 2025/26 where there may be associated works contracts that require sealing. This schedule is updated for Capital Sub Committee and SPC on an ongoing basis so that it can be submitted to Board with the Committee update

Capital Governance – Project Updates

At the September 2025 meeting of the Capital Sub-Committee, the projects with a current alert status were reported as follows:

Project:	RAG Indicator:	Stage:	Matters for Committee attention:
Cross Hands Health and Wellbeing Centre	ALERT	Full Business Case Development	Meeting with Welsh Government IRCF Team held over the summer. Further high-level scoping being undertaken to review the development footprint.
Next Key Milestone:	Completion of further scoping work and discussion with WG.		

Projects led by other organisations:

Carmarthen Hwb (led by Carmarthenshire County Council)

The Board approved the signing under seal, of the contract documentation for the lease with Carmarthenshire County Council at their meeting on 25 July 2024. Work is progressing well on site and the current completion for this scheme is likely to be early 2026.

Pentre Awel (led by Carmarthenshire County Council)

The hydrotherapy pool element of this development is now complete and HDdUHB is currently in the process of commissioning this facility. The contractors for the Clinical Delivery Unit are now on site and it is expected that this phase of the development will be complete in early 2026/27.

Cylch Caron (led by Ceredigion County Council)

A tender process for partners to work on the scheme closed with no tender returns. WG has requested a report that details the next steps for the Outline Business Case (OBC) refresh and a review of the resource schedule. A housing consultant has been commissioned to explore the options available to Ceredigion County Council for their elements of the scheme. It is currently anticipated that HDdUHB will respond to WG with an update in the autumn of 2025.

Update from Capital Sub Committee

Attached in Annex 2 is the update from the CSC) held on 18 September 2025.

There are:

- no items to alert the Committee
- seven items to advise the Committee
- four items to assure the Committee

Argymhelliad / Recommendation

The Strategy and Planning Committee is asked to:

- **RECEIVE ASSURANCE** from the update on the Capital Programme and CRL for 2025/26 and discuss the potential overspend
- **NOTE** the allocation of the DCP for 2025/26 and the changes since Board ratification
- **RECEIVE ASSURANCE AND UPDATE THE BOARD**, that the seal can be applied for all schemes listed in Annex 1
- **RECEIVE ASSURANCE** from the capital schemes governance update and discuss the status of the Cross Hands scheme
- **RECEIVE ASSURANCE** from the Capital Sub Committee update in Annex 2

Amcanion: (rhaid cwblhau) Objectives: (must be completed)	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	3.1.16 Review capital (excluding digital) business cases, prior to Board approval
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 Corporate Risk 1745 - of not being able to deliver safe, effective and timely services across the Health Board estate, including acute, community and mental health facilities. This risk also impacts the Health Board's nonclinical estate, educational facilities and managed practices. Risk Score 15
Parthau Ansawdd: Domains of Quality Quality and Engagement Act (sharepoint.com)	1. Safe
Galluogwyr Ansawdd: Enablers of Quality: Quality and Engagement Act (sharepoint.com)	5. Whole systems perspective
Amcanion Strategol y BIP: UHB Strategic Objectives:	3. Great care
Amcanion Cynllunio Planning Objectives	8 Estates plans
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2021-2022	8. Transform our communities through collaboration with people, communities and partners

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Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Included within the report
Rhestr Termiau: Glossary of Terms:	Not Applicable
Partion / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Strategaeth a Chynllunio Parties / Committees consulted prior to Strategy and Planning Committee:	Project Group Formal Executive Team

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 also included within individual business cases and capital prioritisation process.
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:	Equality assessments are included within individual business cases and capital prioritisation process when required.

Annex 1

Potential Contracts requiring the use of the UHB Seal in 2025/2026						
Project Name	Site	Funding Source	Supplier	Contract sealing date	Start on Site	
Phase 2 Fire Works	WGH	AWCP	TR Jones	October (end)	December / January	
Phase 2 Fire Works	GGH	AWCP	to be added when known	to be added when known	to be added when known	
Flouroscopy Room	WGH	AWCP	TR Jones	to be added when known	to be added when known	
Provision 2nd generator at Glangwili Site	GGH	WG - TEF	TR Jones	to be added when known	to be added when known	
Provision 2nd generator at Witybush	WGH	WG - TEF	TR Jones	to be added when known	to be added when known	
Provision 2nd generator at Prince Philip	PPH	WG - TEF	TR Jones	to be added when known	to be added when known	
AHU Refurbishment Works all sites		WG - TEF	TR Jones	to be added when known	to be added when known	
Replacement & upgrades to passenger lifts		WG - TEF	Otis	to be added when known	to be added when known	
Glangwili Roof related projects	GGH	WG - TEF	TR Jones	to be added when known	to be added when known	
South Pembrokehire roof related project	SPH	WG - TEF	Edmunds Webster	to be added when known	to be added when known	
PPH IPS UPS Installation	PPH	WG - TEF	Weavers	to be added when known	to be added when known	
Theatre Lights upgrade		WG - TEF	Lewis Construction	to be added when known	to be added when known	
Chiller replacement ITU	WGH	WG - TEF	Weavers	to be added when known	to be added when known	
LV Electrical Infrastructure		WG - TEF	TR Jones	to be added when known	to be added when known	
Chiller refurbishment	PPH	WG - TEF	to be added when known	to be added when known	to be added when known	
Replacement Fire dampers		WG - TEF	Weavers	to be added when known	to be added when known	
Cause and effect upgrade programme		WG - TEF	TR Jones	to be added when known	to be added when known	
Replacement programme obsolete fire alarms and detection system		WG - TEF	Lewis Construction	to be added when known	to be added when known	
Ty Bryn Scheme		WG - TEF	Lewis Construction	to be added when known	22/06/2026	
S136 Adult and Young Person Stepdown Carmarthen		WG - TEF	Lewis Construction	to be added when known	13/04/2026	
St Non's Point of Ligature		WG - TEF	Lewis Construction	to be added when known	05/01/2026	
Private Wire Solar Farm enabling works	PPH	WG - TEF	to be added when known	to be added when known	to be added when known	
Phased replacement of single glazed windows		WG - TEF	to be added when known	to be added when known	to be added when known	
Electrical vehicles Charging Points	GGH & PPH	WG - TEF	to be added when known	to be added when known	to be added when known	
Replacement Surgical Instrument Washers	GGH	WG - TEF	to be added when known	to be added when known	to be added when known	
Replacment endoscope washers and centralisation into HSDU	BGH	WG - TEF	to be added when known	to be added when known	to be added when known	
Low Voltage Breaker replacements	GGH & PPH	WG - TEF	to be added when known	to be added when known	to be added when known	
Picton Terrace	Picton Terrace	AWCP	TR Jones	21/05/2025	27/05/2025	
Sensory Garden	PPH	Charitable Funds	TR Jones	to be added when known	to be added when known	
Aseptic Project	WGH	AWCP	Lewis Construction	to be added when known	to be added when known	
Fire Doors	AVH/PPH		Lewis Construction	to be added when known	to be added when known	
Mortlais Ward inc Fire Doors	GGH		Edmunds Webster	to be added when known	to be added when known	
Concrete Cladding Remedial Works	WGH		to be added when known	to be added when known	to be added when known	
Cwm Seren Fire Doors	Cwm Seren	WG - TEF	John Weaver	to be added when known	to be added when known	
Point of Ligature Works MH bedrooms	Multiple Sites	WG - TEF	Lewis Construction	to be added when known	24/11/2025(TEF Cwm Seren)	
Fire Doors	Multiple Sites		to be added when known	to be added when known	to be added when known	
St Brynach Day Hospital Roof Replacement	WGH	WG - TEF	to be added when known	to be added when known	to be added when known	
Gamma Camera Upgrade patient experience	WGH	Diagnostic	to be added when known	to be added when known	to be added when known	
GGH Front Door	GGH	TBC	John Weaver	to be added when known	to be added when known	
MRI Upgrade in Glangwili	GGH	Diagnostic	to be added when known	to be added when known	to be added when known	
Chiller Works	PPH	WG - TEF	to be added when known	to be added when known	to be added when known	
Works to residences	WGH	DCP	to be added when known	to be added when known	to be added when known	
Works to residences	PPH	DCP	to be added when known	to be added when known	to be added when known	
Dinefwr Ward Works	GGH	DCP	to be added when known	to be added when known	to be added when known	
Boiler Replacement	SPH	DCP	to be added when known	to be added when known	to be added when known	
Mains gas works	WGH	DCP	to be added when known	to be added when known	to be added when known	
Chiller Works	BGH	DCP	to be added when known	to be added when known	to be added when known	
LTHW Heating Boiler, Prince Philip General Hospital & Low-Pressure Hot Water (LPHW), Glangwili General Hospital	PPH/GGH	TBC	to be added when known	to be added when known	to be added when known	

CAPITAL SUB COMMITTEE UPDATE REPORT

Date of last meeting: 18 September 2025

Quoracy: Met

Report by: Eldeg Rosser, Head of Capital Planning

KEY DISCUSSION POINTS AND MATTERS TO BE ESCALATED FROM THE DISCUSSION AT THE MEETING:

Alert (may require discussion)/ **Rhybuddio** (efallai y bydd angen trafodaeth)

Capital Sub-Committee (CSC) had no items of which to **alert** the Strategy and Planning Committee.

Advise (to monitor)

Capital Sub-Committee wish to **advise** members of the Strategy and Planning Committee that:

1. Capital Resource Limit (CRL) 2025/26:

- CRL is just under £37m. Over £8.2m funding has been received since the previous CSC meeting.
- The Finance Team met with project managers to assess any related risks, with slippages identified on the Aseptics scheme and the Fishguard scheme. Welsh Government (WG) has been notified of these slippages so they can be managed into next year.

2. Capital Programme 2025/26:

- WG has provided additional allocations and the Health Board has been asked to submit bids for digital capital investments this year, above what has already been received.
- The Health Board has also been asked to submit bids for capital other than digital that can be delivered by 31 March 2026.
- Over the next weeks, potential internal slippage will be reviewed and identify which items should be pre-commitments for next year. This may provide some flexibility to accommodate potential cost increases on other schemes.

3. Capital Governance Update

The Capital Sub Committee has:

- Taken assurance on seven projects currently RAG rated green: Business Continuity (Major Infrastructure), Aberystwyth Integrated Care Centre (ICC), Chemotherapy Day Unit Bronlais Hospital (BGH), Corporate Headquarters, Bandi Children's Centre, Cellular Pathology and Carmarthen Hwb (led by Carmarthenshire County Council)
- Received an alert that the Cross Hands Health and Wellbeing Centre continues to be RAG rated red. There have been recent discussions with WG regarding feasibility work on Glangwili Hospital (GGH) for potential relocation of services from GGH that could potentially return to Cross Hands.

- Been advised that eight schemes were RAG rated amber: Fishguard Health and Wellbeing Centre scheme, Sexual Assault and Referral Centre (SARC), GGH Fire Precaution scheme, Withybush Hospital (WGH) Fire Precaution scheme, Aseptics, Radiology, Pentre Awel, Cylch Caron
4. **Major Infrastructure (Business Continuity) Investment Programme (MIIP):** There are now 10 individual projects agreed with NHS Wales Shared Services Partnership (NWSSP) and WG which represent the highest risks for the Health Board in terms of Estate fragility. Options have now been selected and agreed with NWSSP with likely capital expenditure c.£55m to be delivered over four years. Rather than a full programme business case, WG has now asked for a strategy document.
5. **Digital Capital Annual Update:** An update on the Health Board's digital plans were presented advising that there were potential capital implications associated with the plan. WG may provide capital to support this. Any capital requirement for DCP next year would be realistic; and linked to flexibility to bid for year-end funding and other additional bids to WG. It was highlighted to the CSC that if funding was not available, there would be some shortfall against the following programmes.
- Major programmes that will need additional capital:
 - Digital Maternity Cymru (DMC) - implementation of a new maternity system.
 - Critical Care (Welsh Intensive & Critical Care System (WICCIS)) - implementation of a critical care system.
 - Digital Medicines (Electronic Prescribing and Medicines Administration (EPMA))
 - Local programmes:
 - Digitally connected patients
 - Digitally enabled workforce.
 - Replacement programme
- Phasing was being looked at due to Digital Planning Improvement Funding (DPIF) being provided early in the year. There was still discussion on DPIF funding for devices; whether this was the same funding as the All-Wales funding was being clarified with WG.
6. **Estates Backlog annual update:** The Estate Backlog reported to WG through the Estate and Facilities Performance Management System for the Health Board for the period 2024/25 is c.£265.8m. This represents an increase from £255.5m reported in 2023/24, with high risk exposure for 2024/25 at £36m. This includes the major infrastructure projects on fire precautions and Reinforced Autoclaved Aerated Concrete (RAAC). It is key to deliver on short and medium-term investment plans and focus on the 6-facet survey which will help to better predict estate failures, where spend was needed, and support future business cases and strategic plans. A resource paper is proposed to set out how the Health Board can deliver the 6-facet survey.
7. **Estate Condition - 6 Facet Survey:** NHS England are consulting on a refreshed master Estatecode guidance. This sets out the plans for land and

property management including backlog and condition. WG is keen to mirror the changes being made to NHS England Estatecode. Health Board Estates were keen to adopt this and conduct the survey; traditional surveys had not given consistency on risk, backlog, functionality, space utilisation reporting. The Health Board was advocating for this within the All-Wales forum.

Assure (to note)

Capital Sub-Committee wish to **assure** members of the Strategy and Planning Committee of:

1. **The Welsh Government Dashboard:** there were two projects for which dashboards were submitted, with 100% returned on time.
2. **Targeted Estates Funding (TEF)** tracker was submitted to NWSSP in August 2025 with no comments back at this time. All schemes are RAG rated green.
3. **Audit Recommendation Update Report:** The CSC took assurance from the content of the report and noted the number of outstanding actions against recommendations.
4. **A Healthier Mid and West Wales (AHMWW) Programme:** The Health Board is in ongoing discussions with WG regarding the feasibility of a phased development at WGH. This would address WGH infrastructure issues, however, clinical colleagues may consider this would not address the highest clinical challenges. The intention is to outline how WGH might be modernised to mitigate estate infrastructure risks in a phased way. It would look at estate rather than service scenarios. The next meeting has been scheduled for 4 November 2025 with WG to discuss these plans, the major infrastructure programme and potentially aligning the 6-facet survey. Modernisation at WGH could only be taken to a point before investment was needed elsewhere, particularly GGH for consistency with the AHMWW clinical strategy.

Papers for information were noted by the CSC as follows:

- Capital Review Meeting – Minutes of meeting on 3 July 2025.
- Capital Monitoring Forum – Minutes of meetings on 8 July and 12 August 2025.
- Capital Planning Group – Minutes of meeting on 22 August 2025.
- Amended CSC Membership following July 2025 CSC

Review of Risks

1. **Capital Programme 2025/26:** A risk was flagged regarding the potential for delays in procuring capital items through end of year monies, due to the additional steps to the procurement route before orders are placed. Work with procurement colleagues is ongoing to ensure the process is streamlined. However this could potentially impact delivery of end of year schemes in the same timeline as achieved previously.

2. **Targeted Estates Funding (TEF)** There is a risk that the Solar Farm project in Prince Philip Hospital (PPH) will not commence in 2025/26, discussions with the provider are ongoing. Part of this funding has been diverted to enable the Electric Vehicle (EV) Charging project to undertake advance surveys with the funding due to be repatriated in 2026/27.
3. **Estates Backlog** It was noted the mitigation for several years had been the AHMWW Programme, however this had now been delayed, hence the push for investment in the major infrastructure programme business case. There is now a shared understanding with NWSSP and WG on the key high-level risks and following this would be to understand the next tier of risk. The Board could not be provided with assurance on this unless the same level of detail was achieved as within the 2018 major infrastructure programme business case.

Recommendation

The Strategy and Planning Committee is asked to:

- **NOTE** the seven items the Capital Sub Committee is advising them of
- **NOTE** and **RECEIVE ASSURANCE** from the four items that the Capital Sub Committee is providing assurance on
- **NOTE** the three risks included in this report