

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

<b>DYDDIAD Y CYFARFOD: DATE OF MEETING:</b>	26 February 2026
<b>TEITL YR ADRODDIAD: TITLE OF REPORT:</b>	Annual Plan Update
<b>CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:</b>	Lee Davies, Executive Director of Strategy and Planning
<b>SWYDDOG ADRODD: REPORTING OFFICER:</b>	Shaun Ayres, Director of Delivery Daniel Warm, Head of Planning Angharad Lloyd-Probert, Senior Project Manager (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**

The Health Board approved the 2025/26 Annual Plan in March 2025, based on requirements specified in the NHS Wales Planning Framework 2025/28 and against the Escalation Framework. Since approval, Welsh Government has issued further communications that have modified financial targets, performance requirements and accountability conditions. This paper provides the Strategy and Planning Committee (SPC) with an update on progress against the Plan. Additionally, an update is also provided on the continued development of the 2026/27 Planning Process and Plan.

**Cefndir / Background**

**2025/26 Annual Plan**

The Hywel Dda University Health Board (HDdUHB) Annual Plan 2025/26 was constructed through a structured process commencing in October 2024, involving comprehensive stakeholder engagement, demand and capacity (D&C) modelling, and alignment with national directives available at the time. The Plan was developed in accordance with the NHS Wales Planning Framework 2025-28, issued by the Cabinet Secretary for Health and Social Care on 20 December 2024, which established five strategic priorities: Timely Access to Care, Population Health and Prevention, Building Community Capacity, Mental Health Access, and Women's Health. The Planning Framework mandated delivery expectations and enabling actions on an "adopt or justify" basis, emphasising flexibility for local needs while integrating legislative requirements such as the Well-being of Future Generations (Wales) Act 2015.

**Planning Cycle for the development of the 2026/27 Plan**

As previously indicated to the Committee, the implementation of the Planning Cycle for the development of the 2026/27 Plan has begun ahead of submission to Welsh Government at the end of March 2026, subject to Board approval.

With respect to the Plan for 2026/27, Welsh Government released the NHS Wales Planning Framework on 19 December 2025, along with the financial allocations. The Planning

Framework, in the form of two letters, one from the Cabinet Secretary to Chairs (Annex 1); and one from the Chief Executive of NHS Wales to Chief Executive Officers (Annex 2); form the basis of the expectations of what plans must deliver through Ministerial priorities; delivery expectations (Annex 3); and enabling actions (Annex 4). Within the Framework it is noted that if a financially balanced three-year plan is not achievable, then an Accountable Officer letter MUST be submitted to Welsh Government by 13 February 2026.

A technical guidance document which provides further background information on the policy context to support the NHS Wales Planning Framework (Annex 5) along with the Ministerial Priority template and the Minimum Dataset were then issued by Welsh Government 20 January 2026.

## Asesiad / Assessment

### **Progress against the 2025/26 Annual Plan**

#### Planning Objectives

A key element of the Annual Plan remains our 10 Planning Objectives, four of which are aligned to this Committee. Their current status is:

<b>Planning Objective</b>	<b>Executive Lead</b>	<b>Status</b>
PO6: Clinical Services Plan (CSP)	Executive Director of Strategy and Planning	On Track
PO7: Primary and community strategic plan	Chief Operating Officer	On Track
PO8: Estates plan	Executive Director of Strategy and Planning	On Track
PO10: Population health	Executive Director of Public Health	On Track

Highlight reports for Planning Objectives not on the agenda (deep-dives) are provided in Annex 6 (PO6-CSP, PO7-Primary Care and PO10-Population Health).

#### Enabling Actions

A further key element of the Plan were the enabling actions set by the Cabinet Secretary – these were reported on a quarterly basis. As at the end of December 2025 (Quarter 3) of 37 enabling actions:

- In October 2025, four actions were rated Red (i.e. would not be completed by the end of 2025/26), seven Amber (delayed although will be achieved in year) and twenty-six Green (on-track to be completed by the end of 2025/26).
- By January 2026, whilst three actions remained Red and nine were Amber, 25 actions are on track to be completed (Green).
- One Maximising Value for Money action declined from Green to Red due to Continuing Healthcare (CHC) packages of care requiring further definition work at national and Health Board level. One Workforce Productivity action declined from Green to Amber due to increasing agency costs. Timely access to care improved with two Red actions moving to one Amber and one Green.
- The majority of activity is focused on planned care improvement (15 actions) and Urgent and Emergency Care (UEC) (six actions), with robust governance arrangements in place through Board Committees, Clinical Care Group (CCG) meetings, and regular engagement with Welsh Government through Integrated Quality, Planning and Delivery (IQPD) and Integrated Quality, Finance and Performance Delivery (IQFPD) fora.

- Smaller programmes of work are progressing around value optimisation (six actions), workforce productivity (five actions), maximising value for money (four actions), and population health and prevention (one action).

A full update of the enabling actions and their RAG rating can be found in Annex 7

### **2026/27 Planning Cycle Development**

A full update on the process and proposed structure of the Plan was presented to Board at its January 2026 meeting.

At its core the Plan continues to aim at building through a deliberately sequenced approach, moving the Health Board from separate strands of activity to a single, structured planning system.

A full update on the process and proposed structure of the Plan was presented to Board at its January 2026 meeting. The planning approach is deliberately moving the organisation from separate strands of activity to a single, structured planning system.

The agreed plan architecture links strategy to annual delivery and Board assurance, creating a clear hierarchy: Strategic Objectives (chapters), Planning Goals (in-year intent), Priority Bundles (deliverable programmes), Enabling Actions (conditions for delivery), and Measures/Assurance Points (evidence of progress). Critically, the architecture commits to one integrated story: quality, performance, workforce and finance are considered together rather than as separate narratives. This is intended to prevent parallel plans developing and to provide clear line-of-sight from strategic intent through to delivery commitments and assurance.

### **Emerging integrated priorities for 2026/27 (subject to Board approval)**

Work undertaken through the planning architecture and workshop process indicates that a small number of interdependent programmes are likely to dominate 2026/27 delivery focus, because they unlock performance, quality and financial sustainability across multiple pathways. These are being treated as an integrated portfolio, rather than independent workstreams:

- Flow and frailty: focused on unlocking bed capacity and improving system flow (including reducing delayed pathways of care), with the intention of relieving pressure across urgent and emergency care and improving overall operational resilience. Indicative system impact described in the architecture includes the scale of Delayed Transfers of Care (DToC) cost exposure (c. £27–£28m annually) and multiple linked high-impact risks.
- Cancer diagnostics and capacity: focused on addressing diagnostic bottlenecks that drive pathway failures and hidden backlog risk. The architecture highlights structural capacity constraints, including an estimated 6.4 WTE deficit in ultrasound and consequential waits in other diagnostics.
- Urgent and scheduled care configuration and sustainability: focused on sustainable service delivery given workforce and estate constraints, including the viability of core rotas and foundational infrastructure dependencies.

This emerging focus is aligned to the Board's requirement for realism and disciplined prioritisation, ensuring that the plan is explicit about what will be prioritised for delivery and assurance in-year.

### **What must be in place to submit an approvable plan (and what remains to be finalised)**

Between now and Board consideration and submission, the minimum requirement is to ensure consistency across CCG submissions; triangulate performance, finance and workforce; review interdependencies; and ensure savings are explicitly integrated into delivery bundles. The narrative must include:

- (i) A short narrative for each chapter including baseline, intended change by March 2026, delivery actions, dependencies and key risks;
- (ii) Trajectories where national measures apply (or a clear, time-bound plan to validate baselines and set trajectories);
- (iii) Savings schemes explicitly linked to delivery actions, owners, milestones and impact measures (cash releasing versus cost avoidance); and (iv) an integrated risk view showing what is being treated now versus what is being accepted (with rationale).

### **Key risks to production of the 2026/27 plan (and mitigations)**

The following are the principal plan-production risks that the organisation is actively managing, presented in a way that supports Committee assurance:

- Variable maturity of returns across services, risking inconsistency of trajectories, dependencies and quantification. Mitigation: standard template discipline, central check-and-challenge, and escalation of unresolved gaps through Executives.
- Triangulation risk (workforce, finance and activity assumptions not yet fully reconciled), risking non-deliverable commitments. Mitigation: structured reconciliation steps and defined checkpoints so baselines, WTE assumptions and financial envelopes align before Board submission.
- Savings integration risk, where savings schemes are not consistently linked to delivery actions, milestones and measurable impact (cash versus (vs) cost avoidance). Mitigation: explicit mapping of savings to delivery bundles with ownership, profiling and impact measures.
- Partner dependency and Long Term Agreement (LTA) risk, particularly where service changes and pathways rely on cross-system agreement. Mitigation: meeting the national requirement for LTA confirmation by 27 February 2026, with risks and mitigations documented transparently in the plan.

### **Overall assessment and outlook (at the point of writing)**

The national timetable is now very tight, with a requirement to submit the final Board-approved Plan, Ministerial templates and Minimum Dataset by 31 March 2026, alongside confirmation by 27 February 2026 that plans can be agreed with supported LTAs.

At the point of writing, there remains a significant volume of work to complete to ensure the 2026/27 submission is integrated, internally consistent and approvable. This includes: ensuring consistency across CCG submissions; capturing and triangulating performance, workforce and

finance; reviewing interdependencies; integrating savings into delivery bundles; and completing the minimum narrative content (baseline, intended change by March 2026, delivery actions, dependencies, key risks, and trajectories where national measures apply).

Management judgement is that the 2026/27 plan is currently at a less mature stage of integration and quantification than the Health Board was at the equivalent point in the 2025/26 planning cycle. This does not change the intention to meet Welsh Government timescales, however it does increase the risk of late convergence unless pace, standardisation and decision-making are accelerated over the remaining period.

Accordingly, the critical assurance focus for the next period is that:

- (i) Baselines and trajectories are validated and agreed;
- (ii) Savings schemes are explicitly linked to delivery actions, milestones and measurable impact (cash releasing vs cost avoidance);
- (iii) Workforce assumptions are reconciled to deliverability; and
- (iv) Partner dependencies (including LTAs) are confirmed with risks transparently set out.

### Next Steps

Over the next few weeks and prior to Board consideration, further work is needed to ensure there is a consistency to the submissions from the respective CCGs; capture and triangulate performance, finance and workforce; review interdependencies; and ensure savings are integrated into delivery bundles.

At a minimum the following is needed for the narrative document:

- A short narrative for each chapter: baseline, intended change by March 2026, delivery actions, dependencies and key risks.
- Trajectories where national measures apply (or a clear plan to validate baseline and set trajectories quickly).
- Savings schemes explicitly linked to delivery actions, owners, milestones and impact measures (cash vs cost avoidance).
- An integrated risk view showing what we are treating now vs what we are accepting (inclusive of the logic model).

### Argymhelliad / Recommendation

The Committee is asked to:

- **NOTE** the update on the 2025/26 Annual Plan
- **SCRUTINISE** and **NOTE** the overall assessment and update on the progress against the Planning Cycle and risks for the production of the 2026/27 Plan.

### Amcanion: (rhaid cwblhau)

### Objectives: (must be completed)

Committee ToR Reference:  
Cyfeirnod Cylch Gorchwyl y Pwyllgor:

3.1.1 Receive assurance that the planning cycle is being taken forward and implemented in accordance with Health Board and Welsh Government requirements, guidance and timescales.

	3.1.4. Receive assurance on delivery of the Health Board's Annual Plan through the scrutiny of regular monitoring reports.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Risk 2212 - There is a risk that the Health Board will not have an approvable Integrated Medium-Term Plan (IMTP) by March 2028.(Current Risk Score: 12, Target Risk Score: 4)
Parthau Ansawdd: Domains of Quality <a href="#">Quality and Engagement Act (sharepoint.com)</a>	7. All apply
Galluogwyr Ansawdd: Enablers of Quality: <a href="#">Quality and Engagement Act (sharepoint.com)</a>	6. All Apply
Amcanion Strategol y BIP: UHB Strategic Objectives:	All Strategic Objectives are applicable
Amcanion Cynllunio Planning Objectives	6 Clinical services plan 7 Primary and community strategic plan 8 Estates plan 10 Population health
Amcanion Llesiant BIP: UHB Well-being Objectives: <a href="#">Hyperlink to HDdUHB Well-being Objectives Annual Report 2021-2022</a>	9. All HDdUHB Well-being Objectives apply

### Gwybodaeth Ychwanegol: Further Information:

Ar sail tystiolaeth: Evidence Base:	Annual Plan 2025/26 Board May, July, September and November 2025; January 2026
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:	Board May, July, September and November 2025; January 2026 Board Seminar October, November and December 2025

### Effaith: (rhaid cwblhau) Impact: (must be completed)

<b>Ariannol / Gwerth am Arian:</b> <b>Financial / Service:</b>	Any financial impacts and considerations are identified in the report
<b>Ansawdd / Gofal Claf:</b> <b>Quality / Patient Care:</b>	Any issues are identified in the report
<b>Gweithlu:</b> <b>Workforce:</b>	Any issues are identified in the report
<b>Risg:</b> <b>Risk:</b>	Consideration and focus on risk is inherent within the report. A sound system of internal control helps to ensure any risks are identified, assessed and managed.
<b>Cyfreithiol:</b> <b>Legal:</b>	Any issues are identified in the report
<b>Enw Da:</b>	Any issues are identified in the report

<b>Reputational:</b>	
<b>Gyfrinachedd: Privacy:</b>	Not applicable
<b>Cydraddoldeb: Equality:</b>	Not applicable