

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

DYDDIAD Y CYFARFOD: DATE OF MEETING:	28 April 2026
TEITL YR ADRODDIAD: TITLE OF REPORT:	Capital Programme Update for 2025/26, 2026/27 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 2026/27
- Notify the SPC of the contracts that may require sealing
- 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 26 February 2026 and the CSC meeting held on 17 March 2026.

The available capital allocation for 2026/27 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 (CRL) 2025/26

The 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**.

Equipment vested / bonded at year end

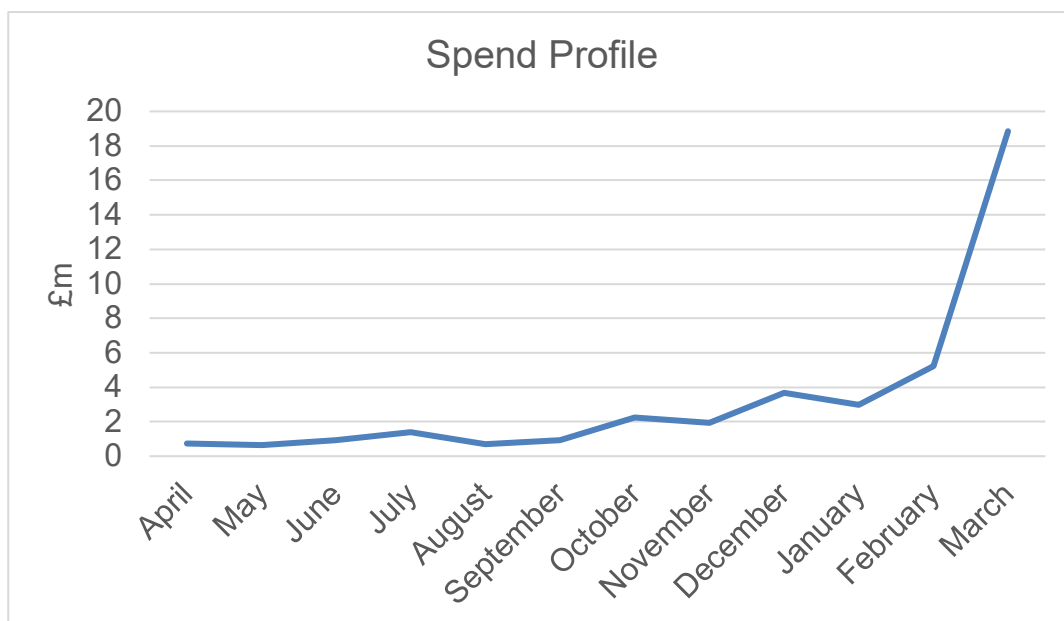
As previously reported, there was a requirement to vest some items of equipment.

These are detailed below:

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

Risk 2204

A risk was placed on the risk register to reflect the risk of underspending against our CRL. This risk did not materialise, but the graph below shows the risk that the health Board had to manage with the significant level of expenditure incurred in March



Discretionary Capital Allocation (DCP)

2026/27

The Board in their meeting on 26 March 2026 approved the following programme for 2026/27 and the provisional split of the allocation for 2027/28.

Discretionary Capital Programme		
2026/27		
	£m	£m
Pre-Commitment	4.756	
Business Case Development	0.400	
Capital Support	0.200	
Contingency Reserve	1.000	
Opportunity risks	0.500	
Spend to Save	0.281	
Refurbishment of clinical areas	0.600	
Statutory and estates programme	0.450	
Equipment	1.600	
Digital	0.850	
Allocation via matrix	1.100	
Total	11.737	11.228

The current schedule of pre-commitments for 2026/27 is listed in the table below:

Pre-Commitments 2026/27		
	Option	
	£m	
TEF 2026/27	2.546	
Paediatric Consultation	1.200	
Pentre Awel contribution		
25/26 slippage/underspend managed into 26/27**		
Residential Accommodation	0.200	
WG payback Picton Terrace	0.110	
Dinefwr Ward bathrooms	0.300	
Microbiology WGH – H&S notice	0.400	
Total	4.756	

** nothing to report currently but position may change following the closedown of 2025/26 year end

This will overcommit the UHB's capital allocation at the beginning of the year and will enable UHB to progress against most of the pre-commitments. Work undertaken by the Capital Finance Team recently have confirmed that most other UHB's in Wales overcommit their capital programme at the start of the year to enable them to manage the inevitable slippage that occurs on schemes in year

It is currently anticipated that the specific allocation will be utilised as follows:

Equipment:

- £1.000m for the endoscopy gastroscopy replacement plan
- £0.600m for equipment replacement priorities currently being finalised

Statutory and estates:

- £0.020m firecode and safety compliance
- £0.072m legionella compliance
- £0.045m asbestos compliance
- £0.018m ISO 14001
- £0.040m lift compliance
- £0.040m medical gas compliance
- £0.120m fixed and PAT testing compliance
- £0.065m ductwork cleaning and damper compliance
- £0.020m f-gas compliance
- £0.010m radon compliance

Digital

- £0.100m Close Circuit Television
- £0.300m New and replacement IT equipment
- £0.100m E-Observation devices
- £0.350m Electronic Prescribing and Medicines Administration (EPMA)

2027/28

It is also proposed that the following allocations are made for 2027/28 so that we can start the planning process early.

Pre-Commitments 2027/28		
	£m	
TEF 2027/28	2.200	
WG payback Picton Terrace	0.110	
Total	2.110	

	£m
Pre-Commitment	2.110
Business Case Development	0.400
Capital Support	0.200
Contingency Reserve	1.000
Opportunity risks	1.000
Spend to Save	0.300
Refurbishment of clinical areas	1.500
Statutory and estates programme	0.450
Equipment	1.000
Digital	1.000
Allocation via matrix	3.350
Total	11.860

Work on planning the use of these allocations will start in early 2026/27.

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 March 2026 meeting of the Capital Sub-Committee, the projects with a current alert status were reported as follows:

Project:	RAG Indicator:	Stage:	Matters for Sub Committee attention:
Fishguard Health and Wellbeing Centre	ALERT	Strategic Assessment	Land availability is challenging resulting in land workshop being further postponed. High level capital cost estimates indicate that further reduction in scheme scope may be required to fall within financial envelope of £30m.
Next Key Milestone:	Clarification on land availability.		

Project:	RAG Indicator:	Stage:	Matters for Sub Committee attention:
Atriwm (formerly Carmarthen Hwb) - led by Carmarthenshire County Council	ALERT	Construction	Construction work started on site on 15/07/2024 – internal works programme planned completion mid-April 2026. Brickwork supports and façade works scheduled to begin January 2026, delayed completion date now December 2026, anticipated opening January 2027. HDdUHB to finalise and sign Agreement for Lease.
Next Key Milestone:	Commissioning		

Projects led by other organisations:

Carmarthen Hwb (led by Carmarthenshire County Council)

Additional work that are needed to the outside infrastructure of the building will result in a delay in the opening of this facility. Handover is now expected in the last quarter of 2026 with the anticipated opening in January 2027. Work continues on the commissioning plan for the development.

Pentre Awel (led by Carmarthenshire County Council)

Canolfan Pentre Awel public opening of leisure services took place on 15 October 2025 and the Hydrotherapy Pool Launch event was held on 16 February 2026. The hydrotherapy pool is now open with patient treatment being carried out in the pool since early March 2026. Work is being undertaken to occupy Block B in the building from the middle of May with the Clinical Delivery Unit scheduled to be complete in late 2026.

Cylch Caron (led by Ceredigion County Council)

Ceredigion CC have agreed the options for the accommodation elements of this scheme and a briefing paper is being prepared for WG detailing the proposed next steps for the OBC refresh.

Regional Cellular Pathology (led by Swansea Bay UHB)

WG have now agreed to the fees required to develop the business case for this project.

Targeted Estates Fund Update

Targeted Estates Funding (TEF) is a Welsh Government capital funding programme intended to address urgent estate risks and priority infrastructure investment within NHS Wales. The programme supports schemes that improve patient safety, statutory compliance, resilience and sustainability of the NHS estate.

The Programme window has schemes being delivered across **2025/26–2026/27**. The funding model is

- Welsh Government funds **70%** of approved scheme costs.
- Health Boards are required to fund **30%** via Discretionary Capital Programme (DCP).

The Programme is coordinated nationally by NWSSP – Specialist Estates Services (SES) on behalf of Welsh Government.

Bids were invited against six priority areas:

- Fire Safety
- Backlog Maintenance & Estate Infrastructure
- Mental Health / Learning Disability
- Decarbonisation
- Infection Prevention & Control
- Decontamination

In 2025/26 we spent £5.604m against the TEF allocation received.

In 2026/27 we expect to receive a TEF allocation of £8.461m

During 2025/26 post-tender cost inflation did result in overspends on some schemes which were managed through cost mitigation and the reprofiling of other TEF scheme allocations all of this was done with the agreement of NWSSP – Specialist Estates Services (SES).

The strategic importance of this funding is that it provides a critical funding lever to address statutory compliance, high-risk infrastructure and business continuity risks and the programme reduces pressure on the Discretionary Capital Programme by partially offsetting compliance-driven investment.

Update from Capital Sub Committee

Attached in Annex 2 is the update from the CSC held on 17 March 2026.

There are:

- Nil item to alert the Committee
- 1 items to advise the Committee
- 10 items to assure the Committee

The Capital Sub Committee Annual Report for 2025/26 is attached in Annex 3 for SPC endorsement.

Argymhelliad / Recommendation

The Strategy and Planning Committee is asked to:

- **RECEIVE ASSURANCE** from the update on the Capital Programme and CRL for 2025/26
- **NOTE** the Board endorsed allocation of the DCP for 2026/27
- **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
- **RECEIVE ASSURANCE** from the Capital Sub Committee update in Annex 2 and the 2025/26 Annual Report in Annex 3

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

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Included within the report
Rhestr Termiau: Glossary of Terms:	Not Applicable
Partïon / 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						
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	24/02/2025	13/10/2025	
Provision 2nd generator at Glangwili Site	GGH	WG - TEF	TR Jones	24/02/2026	04/05/2026	
Provision 2nd generator at Witybush	WGH	WG - TEF	TR Jones	24/02/2026	20/04/2026	
Provision 2nd generator at Prince Philip	PPH	WG - TEF	TR Jones	to be added when known	17/08/2026	
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	23/12/2025	12/01/2025	
South Pembrokeshire roof related project Combined with scheme above	SPH	WG - TEF	Edmunds Webster	to be added when known	to be added when known	
PPH IPS UPS Installation (Project Cancelled)	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	Edmunds Webster	12/11/2025	08/12/2025	
LV Electrical Infrastructure		WG - TEF	TR Jones	to be added when known	to be added when known	
Chiller refurbishment	PPH	WG - TEF	Weavers	24/02/2026	02/03/2026	
Replacement Fire dampers PPH	PPH	WG - TEF	Weavers	to be added when known	Anticipated 12/10/26	
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	HD	WG - TEF	Lewis Construction	to be added when known	to be added when known	
S136 Adult and Young Person Stepdown Carmarthen	HD	WG - TEF	Lewis Construction	to be added when known	20/04/2026	
St Non's Point of Ligature		WG - TEF	Lewis Construction	12/01/2026	09/02/2026	
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	
Replacement endoscope washers and centralisation into HSDU	BGH	WG - TEF	Edmunds Webster	21/01/2026	26/01/2026	
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	05/02/2026	23/02/2026	
Aseptic Project	WGH	AWCP	Lewis Construction	04/11/2025	01/12/2025	
Fire Doors	AVH/PPH		Lewis Construction	to be added when known	to be added when known	
Morlais Ward inc Fire Doors	GGH		Edmunds Webster	to be added when known	to be added when known	
Concrete Cladding Remedial Works	WGH		Lewis Construction	24/02/2026	25/08/2025	
Cwm Seren Fire Doors	Cwm Seren	WG - TEF	John Weaver	22/01/2025	30/06/2025	
Point of Ligature Works MH bedrooms (TEF Cwm Seren)	Multiple Sites	WG - TEF	Lewis Construction	12/11/2025	24/11/2025	
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 (Nuclear Medicine) - Section 2 National Imaging Programme	WGH	Diagnostic	Lewis Construction	to be added when known	02/03/2025	
GGH Front Door	GGH	AWCP - Wales Funding	John Weaver	12/11/2025	17/11/2025	
MRI Upgrade in Glangwili - Section 1 National Imaging Programme	GGH	Diagnostic	Lewis Construction	to be added when known	to be added when known	
Chiller Works	PPH	WG - TEF	Weavers	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	Lewis Construction	15/01/2026	02/02/2026	
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	
Dexa Scanner BGH	BGH	TBC	to be added when known	to be added when known	to be added when known	
Body Storage BGH	BGH	DCP	to be added when known	to be added when known	to be added when known	
Nurse Call Derwen	GGH	DCP	to be added when known	to be added when known	to be added when known	
Chiller Works	GGH	DCP	to be added when known	to be added when known	to be added when known	
Energy Performance Contract	Multiple Sites	programme	Vital Energi	10/12/2025	Mar-26	
MIIP Survey Investigations for Workstream 1 Projects	Multiple Sites	WG - MIIP Fees	Lewis Construction	TBC	TBC	

CAPITAL SUB COMMITTEE UPDATE REPORT

Date of last meeting: 17th March 2026

Quoracy: Met

Report by:

Clare Emanuel, Senior Capital Planning Programme Manager
Eldeg Rosser, Head of Capital Planning

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

Advise¹ (to monitor)

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

1. Capital Resource Limit 25/26:

- £18.9m remaining at start of March; just under 50%. This is due to late WG allocations and construction scheme timings for end of March 2026.
- Significant challenge to manage and a risk has been added to the Corporate risk register regarding not achieving the CRL.

2. Discretionary Capital Programme (DCP)

- £14m+ additional WG allocations received in-year; not part of original plan for 2025-26.
- Programme for 2026-27 brought to January CSC and endorsed by SPC for onward ratification by March Board.
- Bronglais General Hospital (BGH) DEXA scanner funding awarded.
- Fees to progress Cross Hands Full Business Case and Bandi Business Justification Case approved.
- Bids for Mental Health & Learning Disabilities (MH&LD) estate improvements submitted with notification to be received prior to election period.

Assure

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

1. **Committee Key Actions** have been reviewed and items noted for information
2. **Self-assessment of Sub-Committee Effectiveness** Annual Report was endorsed by CSC for onward submission to SPC in April 2026
3. **Capital Governance Update.** Capital Sub Committee have taken assurance on
 - the 13 projects rag rated green, and were advised on the 5 schemes rag rated amber.

¹ There are areas of concern where assurance has been taken on actions in place but requires close monitoring. An early warning of an emerging and potentially serious concern.

- The CSC were alerted to the 2 schemes rag rated red
 - led by the UHB: Fishguard Health & Well-being Centre (Land availability challenges resulting in land workshop delay).
 - Led by Carmarthenshire CCC - Atriwm' (formerly Carmarthen Hwb): delayed completion date with December 2026 completion; opening January 2027. Working group established and work ongoing to mitigate the impact of the delay
4. **Welsh Government Dashboard Reports** submitted in February were returned to WG on time; no comments had been received.
 5. **Targeted Estates Funding Update Report - CSC noted**
 - the content of the report and the Green overall programme status
 - All projects on time and on track to close out expected spend by FYE and no concerns around risks
 - There are four additional MH&LD schemes bid for, with 100% funding by WG. Response to bids awaited.
 - As part of the Capital update provided to SPC, this will in future cover detail of the TEF schemes
 6. **Fire Schemes Update** – CSC received assurance that
 - the schemes on the Letters of Fire Safety are being progressed.
 - The CSC acknowledged and gained assurance from the agreements reached with MWWFRS for the future programme on Fire Investment Projects, and noted that further updates will be presented at future CSC meetings
 7. **The updated Capital Planning Group and Capital Monitoring Forum Terms of Reference** were reviewed and approved for onwards submission to SPC for approval
 8. **AHMWW Programme Business Case (PBC) Update.** The CSC took assurance from the update, Key points include:
 - WG have indicated the PBC addendum to be considered at 17/04/26 Infrastructure Investment Board (IIB)
 - NHS Wales Chief Executive & Deputy Chief Executive visit on 02/04/26.
 - Parallel work on OBC preparations recommended by WG, as any service or activity modelling can support the case for change; this must be funded through DCP.
 - Meeting held with WG w/c 16/03/26 to review scrutiny comments on PBC addendum and NWSSP reviewing submitted documents.
 9. **Infrastructure Investment Plan** CSC approved the IIP and noted this would be submitted to Welsh Government Capital team for information.
 10. **Arts and Health Annual Update** CSC noted the:

- Multiple arts-based environmental enhancement projects that have been delivered, notably the Leri Cancer Unit flagship project
- Increasing demand for arts integration across departments.
- Challenges include: limited team capacity and resource; fragmented approach with development of public art framework being looked at; procurement complexities; gaps in funding; barriers to participation; gaps in artist skills for clinical settings; evaluating the work.

Papers for information were noted by the CSC as follows:

- Capital Review Meeting Notes 08/01/26
- Capital Planning Group – Notes not yet available
- Capital Monitoring Forum Minutes 11/11/25, 13/01/26, 10/02/26
- CSC Terms of Reference
- Bandi Scrutiny Grid
- Property Leases update
- Regional Pathology Update

Review of Risks

1. **Capital Resource Limit 25/26** - Significant challenge to manage and a risk has been added to the Corporate risk register regarding not achieving the CRL. Two areas of biggest risk, as these consist of many different orders:
 - Carmarthen Hwb c. £1.3m outstanding.
 - Medical Equipment Replacement c. £1.7m outstanding.
 - Other outstanding items awaiting spend:
 - Digital (£2m remaining); assurance received but multiple items increases risk.
 - Decarbonisation (c. £1.8m). Some assurance can be given as this consists of vested equipment, therefore lower risk.
 - Mitigations include:
 - Procurement teams are actively chasing suppliers for delivery confirmation dates.
 - Regular liaison with project managers.
2. **Discretionary Capital Programme (DCP) Risks for 2026-27** not yet factored into plan:
 - RAAC survey outputs.
 - WGH façade survey works.
 - PPH Minor Injury Unit (MIU) potential works following the consultation.
 - Fishguard Health Centre roof issues.
 - Intensive Care Unit (ICU) beds.
 - Laboratory Information Management System (LIMS) overspend.
3. **AHMWW Programme Business Case (PBC)** CSC were advised there was a risk that although pre-OBC work could be funded via DCP, if the PBC was not endorsed, this work would ultimately be a revenue cost. Without firm

commitment from WG this could not be capitalised. It was noted that usually, funding would be received and there was a product (the business case) that could be capitalised. This stage had not yet been reached, thus all costs so far had been revenue.

Lessons Learnt

The CSC noted:

The Capital Programme 2024-25 Lessons Learnt. Key points:

- Discussion with capital finance counterparts in other Health Boards took place following update to CSC in July 2025, for mutual learning, with points including:
 - Common practice to over-commit annual capital plan. This has been adopted by the Capital Planning Group (CPG) for the upcoming financial year.
 - Stronger controls on revenue impact sign-off for capital bids.
- Further sessions will be held to discuss further learning including the expenditure profile of the current year.

There was agreement that when proceeding with a capital bid, any revenue impact must be understood and formally signed off by the appropriate authority. A small group will look at how to improve the process.

The CSC the Arts & Health Programme Annual Update

The presentation provided an update on learning from the project:

- Public Art Group essential; Early shared vision streamlined commissioning; clear protocols for infection control, fire safety and signage required.
- Challenges include: limited team capacity and resource; fragmented approach with development of public art framework being looked at; procurement complexities; gaps in funding; barriers to participation; gaps in artist skills for clinical settings; evaluating the work.

Recommendation

The Strategy and Planning Committee is asked to:

- **Note** the 3 risks included in this report
- **Monitor** progress on the 2 items the Capital Sub Committee is advising them of
- Note and **take assurance** from the 10 items that the Capital Sub Committee is providing assurance on

CAPITAL SUB-COMMITTEE

ANNUAL REVIEW REPORT

2025/2026

1. Introduction and Chair's summary

In line with Standing Orders the Capital Sub-Committee must submit an Annual Report to the Board through the Chair within 6 weeks of the end of the reporting year setting out its activities during the year and including the review of its performance and that of any Groups it has established, setting out how the Sub-Committee has met its Terms of Reference during the financial year.

The Board uses this annual report to inform:

- The ongoing development of its governance arrangements, including its structures and processes:
- Its Board Development Programme, as part of an overall Organisation Development framework: and

Chairs Reflections

During 2025/26, the Capital Sub-Committee has provided effective assurance to the Strategy and Planning Committee on the planning, governance and delivery of the Health Board's capital programme. Operating consistently within its Terms of Reference, the Committee maintained a strong focus on prioritisation, affordability and risk management in a challenging financial and delivery environment. Progress has been supported by high-quality reporting, constructive challenge and close engagement with Welsh Government, ensuring clear oversight of risks, delivery performance and alignment with the Health Board's strategic objectives.

2. Terms of Reference and Workplan

The TOR for the Capital Sub-Committee is reviewed on an annual basis or following any significant changes. The terms of reference detail the Sub-Committee's purpose to provide assurance to the SPC around the organisation's Capital Strategy, ensuring that there is an accurate reflection of planning, governance, and monitoring to deliver against gaps in assurance.

The Sub Committee reviewed its Terms of Reference as part of the Annual Review which was endorsed by the Strategy and Planning Committee (SPC) on 18th December 2025.

[CSC Terms of Reference v18 approved 181225.docx](#)

The Capital Sub-Committee has a work plan to enable forward planning for the forthcoming year. The workplan is produced to incorporate the duties outlined in the Sub-Committee's Terms of Reference and any suggested areas of focus identified during the self-assessment process.

The Capital Sub-Committee workplan covers a range of activities including statutory reporting duties, regular items of business and priority planned pieces of work which support Board and Committee's objectives.

The work plan is regularly updated throughout the year to ensure it remains responsive to emerging issues and risks.

[Work Plan CSC 2025-6 v3.docx](#)

3. Group/s (if applicable)

The following groups reports into the Capital Sub-Committee with its own terms of reference and workplan for the year.

Capital Planning Group – established to:

- Provide assurance to the Capital Sub Committee around the development and allocation of the Discretionary Capital Programme.
- Ensure robust processes are in place for the prioritisation of capital bids in line with the Health Board's risk management processes and strategic objectives.
- Ensure that the Capital Sub-Committee are aware of the projects/schemes that cannot be progressed with the available DCP
- Receive and review the monthly Dashboard reports linked to AWCP funded projects approved by Project Directors and submitted to Welsh Government (these also form part of the CRM agenda).

Capital Monitoring Forum – established to:

- Provide assurance to the Capital Sub Committee around the management and monitoring of the delivery of the capital investment programme and Capital Resource Limit.
- Keep the Capital Planning Group informed of progress on the delivery of the Capital Programmes and variances on expenditure/timescales which require attention.

In addition to the above, the work undertaken by the following groups is received in the form of update reports and minutes presented to the Capital Sub-Committee.

Capital Review Meetings – bi-monthly meetings held between the Health Board and Welsh Government’s Capital Division to discuss all capital related issues. The minutes of these meetings are circulated to the Capital Sub-Committee.

Capital Project Groups - Each capital project is managed by a Project Group led by an appointed Executive Lead (Senior Responsible Officer) and Service Lead (Project Director). Bi-monthly project highlight reports are received by the Capital Sub-Committee which report on project risks and progress and escalated to the SPC. The report provides a RAG rating for each project; SPC receive a summary position on all red RAG rated projects.

Where appropriate for the scheme value/programme, a Finance Subgroup will meet prior to the Project Group to go through the detail of the financial status of the project chaired by the Finance Lead. This Subgroup will then present a highlight report to the main Project Group. For All Wales Capital Planning, dashboards are submitted to Welsh Government as well as to the Capital Sub-Committee.

The Group’s TOR were last reviewed on 17th March, 2026

In line with their Terms of Reference, the Groups are required to provide a report after each meeting.

4. Table of attendance

Capital Sub Committee – Record of Attendance 2025/26

Present	Delegated Member Present	Apologies	Absence	Not required
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Member/In Attendance	Delegated Member	May	July	Sept	Nov	Jan	Mar
Executive Director of Strategy and Planning (Chair)	Assistant Director of Strategic Planning & Development (Chair in absence of DOPP&C)						
Assistant Director of Strategic Planning & Development (Vice Chair)							
Independent Member							
Director of Estates and Facilities or deputy	Major Capital Development Manager						
Programme Director Major Infrastructure Projects							
Discretionary Capital Project Manager							
Head of Property Performance							
Director of Nursing and Control of Infection Representative	Head of Infection Prevention						
Senior Finance Business Partner							
Head of Facilities Information & Capital Management							
Deputy Director of Operations							
Assistant Director, Medical Directorate							
Digital Director							
Assistant Director of Primary Care							
Assistant Director of Assurance & Risk	Corporate Governance						
Head of Procurement	Senior Procurement Business Manager						
Head of Capital Planning							
Director of Mental Health and Learning Disabilities							
County Director - Carmarthen							
County Director - Ceredigion							
County Director - Pembrokeshire							
Head of Radiology							
General Manager, Women & Children's Directorate							
Head of Pathology							
Chair of the Medical Devices Group							
Head of Capital Audit (Quarterly attendance only)	Audit & Assurance Services						
Capital Programme Manager, Capital Planning	Project Manager						

Member/In Attendance	Delegated Member	May	July	Sept	Nov	Jan	Mar
Project Manager, Capital Planning							
Capital Programme Manager, Regional Partnership Board							
Clinical Director of Pharmacy and Medicines Management							
Head of Maintenance & Engineering							

A quorum shall consist of no less than a third and must include as a minimum the Chair or Vice Chair of the Sub-Committee.

5. Sub-Committee Activities – alert, advise and assure.

The Sub-Committee is required to report to the Strategy and Planning Committee after each Sub-Committee meeting by presenting a report highlighting the key discussion items at the Sub-Committee.

Alert – *The following matters were areas where the Sub-Committee was unable to take an assurance or had a lack of confidence that the action in place was sufficient to address the issue satisfactorily and/or it was within the scope of the operational team to resolve, and were alerting the Board as engagement action or intervention was required.*

CSC 15/5/25

- **Capital Governance Report -: Cross Hands** - Footprint substantially reduced with consequences for elements of the original plan not being progressed. This has implications for how HDUHB delivers services. There is an upcoming meeting with WG where the implications of this decision-making can be reviewed. The original plan, although costing more would provide more value for money. *While acknowledging the UHB need to reach an agreement with WG, CSC registered concern regarding this significant deviation. CSC endorsed discussion with WG on the above*

CSC 17/7/25

- No items to alert

CSC 18/9/25

- No items to alert

CSC 14/11/25

- **AHMWW Programme.** The Health Board has had further constructive discussions with Welsh Government on the infrastructure challenges facing the organisation, in particular at the Withybush and Glangwili sites.

Welsh Government (WG) has recently requested the Health Board produce, by early in the New Year, an addendum to the Programme Business Case (PBC) submitted in February 2022. This is a significant piece of work, which is currently being scoped, but at this stage the intention is to present this to Public Board in January 2026. There is a risk that this is will be unachievable in the timeline as the UHB has still to finalise with WG officers the scope of work required for the Addendum. There is also a risk that the capital cost may be in excess of WG expectations

CSC 15/1/26

- **Capital Resource Limit 25/26:**
 - Spend to end of December is 34% of programme. Assurance has been provided by project leads that spend forecasts remain on track.
 - If year end spend target is not met, Welsh Government (WG) funding could be lost; Statutory CRL target could be breached; there could be an adverse impact on 26/27 Discretionary Capital Programme.
 - Procurement Regulation changes may influence delivery pace and ongoing monitoring is required. Parallel working and early engagement are helping mitigate impact.
 - The operational risk of the UHB not meeting its CRL in 25/26 has now been discussed at Executive Team and raised to a corporate risk.

CSC 17/3/26

- No alert items

Advise – *The following matters were areas of concern where assurance had been taken on actions in place but required close monitoring.*

CSC 15/5/25

- **The CSC Work Plan 2025-2026** approved by CSC
- **Capital Governance Arrangements** reviewed by Internal Audit (an advisory piece of work on the governance arrangements between CSC and the AHMWW Infrastructure and Estates sub-group as there were several crossover items in the agendas, and to aid clarity on reporting). The report provided some assurance in noting there were no gaps in the agendas although there was some duplication. A management response report to be drafted and to be reviewed at CSC.
- **Targeted Estates Funding (TEF) approved by Welsh Government.** CSC took assurance that all projects were to be deliverable by the end of the financial year and any slippage would be highlighted and risk rated.
- **Capital Resource Limit 24/25:**
 - The unaudited position is an underspend of £85k; the HB has met the statute target of being within £0.5m of the CRL.
 - Significant slippages were identified towards the end of the financial year, with a net impact of ~£1.2m, which will need to be funded from this year's DCP.
- **Capital Programme 2025/26:**

- There are some additional allocations that the HB can bid for this year:
- From the All-Wales Diagnostic Imaging pot, the HB has been asked to provide costs for:
- Replacement of the nuclear medicine equipment in WGH.
 - Upgrade of the MRI in GGH. The HB has been asked to submit budget costing for the MRI in GGH to WG by the end of May.
 - The HB has been informed that the replacement of the CT scanner in GGH and the DEXA scanner in BGH are unlikely to be funded through this source.
- The UHB has been asked to submit bids for a replacement of ultrasound scanners outside radiology. These bids are being collated and are due to be submitted to WG by 13/06/25.
- Going forward, the capital governance report will include as a standing item an annex listing a schedule of potential contracts that may require the use of the UHB seal. This will go to S&PC and to Board as part of the S&PC update, so that the Board have been sighted on the requirements to use the seal on these schemes.
- **Capital Governance - Regional Pathology project.** The original regional plan was not supported by WG and an alternative plan is needed. The development of the Cell Path facility is being prioritized with options to be taken to Board in September and this was currently on track. *CSC took some assurance that there was a process underway to reach a conclusion on this and the CSC wish to advise the S&PC on the revised plan.*

CSC 17/7/25

- **Capital Programme 2025/26:**
 - Bids have been submitted for:
 - Radiology Replacement equipment.
 - Ultrasound Scanners outside of radiology.
 - Accelerating TEF schemes from 26/27 schedule of bids.
 - Mental Health Estates Targeted Improvements Bids.
 - Response received on ultrasound scanners – all 10 have been supported with confirmed allocation of £761k.
 - £1m of contingency originally set aside for this year. £909K of this has been committed, leaving a balance of £91k.
 - VAT recovery of an additional £750k has been identified and Capital Planning Group (CPG) proposal was to put this against the contingency allocation and was supported by CSC.
- **Capital Governance Update - Capital Sub Committee have**
 - Taken assurance from the meeting held with WG to agree next steps for the Cross Hands scheme.
 - Been advised on the WGH fire precaution scheme and the GGH fire precaution upgrade scheme.

- For Aseptics, advised that WG have now approved the business case and funding to progress the scheme.
- For the Radiology scheme, advised that the existing WGH Gamma Camera will be upgraded, not replaced.
- Advised that work is currently being undertaken for a solution to the cellular pathology service.
- Taken assurance from Pentre Awel's public opening and advise that the Hydrotherapy Collaboration Agreement is pending resolution of outstanding issues.
- Discussed Cylch Caron's tender process closed with no tender returns

CSC 18/9/25

- **Capital Resource Limit 25/26:**

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

- **Capital Programme 2025/26:**

- There have been additional allocations from WG. The HB has been asked to submit bids for digital capital investments for this year, above what has already been received.
- The HB has also been asked to submit bids for capital other than digital that can be delivered by 31st March.
- Over the next weeks, potential internal slippage will be looked at and what will need to be pre-commitments on next year. This may give some flexibility around potentially increased costs on other schemes.

- **Capital Governance Update** Capital Sub Committee have:

- Taken assurance on seven projects currently rag rated green: Business Continuity (Major Infrastructure), Aberystwyth Integrated Care Centre, Chemotherapy Day Unit BGH, Corporate HQ, Bandi Children's Centre, Cellular Pathology and Carmarthen Hwb (led by CCC)
- Been alerted that the Cross Hands Health and Wellbeing Centre continues to be RAG rated red. There have been recent work with WG on feasibility work on GGH for potential relocation of services from GGH that could potentially go back into Cross Hands.
- Been advised that eight schemes were rag rated amber: Fishguard Health and Wellbeing Centre scheme, Sexual Assault and Referral Centre (SARC), Glangwili Fire Precaution scheme, Wityhush Fire Precaution scheme, Aseptics, Radiology, Pentre Awel, Cylch Caron

- **Major Infrastructure (Business Continuity) Investment Programme (MIIP).** There are now 10 individual projects agreed with NWSSP and WG

which represent the highest risks for the HB in terms of Estate fragility. Options have now been selected and agreed with NWSSP with likely capital expenditure c. £55m to be delivered over 4 years. Rather than a full programme business case, WG have now asked for a strategy document.

- **Digital Capital Annual Update** An update on the UHB's digital plans was presented there were potential capital implication associated with the plan. WG may provide some capital to support this. Any capital requirement for DCP next year would be kept 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 (DMC) - implementation of a new maternity system.
 - Critical Care (WICCIS) - implementation of a critical care system.
 - Digital Medicines (EPMA)
 - Local programmes:
 - Digitally connected patients
 - Digitally enabled workforce.
 - Replacement programme

Phasing was being looked at and that Digital Planning Improvement Fund (DPIF) had provided funding quite 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.

- **Estates Backlog annual update** - The Estate Backlog reported to WG via the Estate and Facilities Performance Management System for the HB for the period 2024/25 is circa £265.8m. This is an increase from £255.5m reported in 2023/24. High risk for 24/25 is £36m. This includes the major infrastructure projects on fire precautions and 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 HB can deliver the 6-facet survey.
- **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 are keen to mirror the changes being made to NHS England Estatecode. HB Estates were keen to adopt this and conduct the survey; traditional surveys had not given consistency on risk, backlog, functionality, space utilisation reporting. The HB was advocating for this within the All-Wales forum.

CSC 14/11/25

- **Capital Resource Limit 25/26:**

- Spend against capital programme at the end of October has increased at 22%; this is lower than spend in previous financial years, due to:
 - Funding approvals received mid-year.
 - Profile spend of TEF scheme.
 - At end of September, reporting overspend position against capital programme of £845k due to assumption that WG would fund WGH cladding
 - At end of October, funding returned to WG for underspend against capital schemes as usual; £804k underspend reported with largest part related to Carmarthen Hwb.
 - £1.5m returned as slippage; just under £1m of this linked to Pentre Awel and Carmarthen Hwb due to the commissioning periods going into 2026-27. The other funding is linked to TEF schemes
- **Capital Programme 2025/26:**
 - Position on end-of-year capital:
 - The UHB had submitted schedules to WG for any available end-of-year allocations
 - In last fortnight, approval has been received to proceed with the GGH front door scheme which is now proceeding at pace.
 - The current planning assumption is that the DCP allocation for 2026/27 will remain at £10m. Pre-commitments are approx £3.7m.
 - Conversations have taken place in CPG regarding looking at over-committing at the beginning of the year, given delay and slippage is inevitable.
 - Discussion with WG in recent CRM around potential for TEF 2; while there was no guarantee, an allocation was hoped for. Therefore planning for these schemes should begin, for surety regarding
 - Developing a programme that would over-commit would be taken to Executive Team
 - **Targeted Estates Funding (TEF)**
 - Five of the tenders had returned over budget, have approximately £1.2m shortfall. Met with WG and currently no slippage for the UHB and will need to fund internally with previously approved schemes.
 - Looking at potential pause on PPH generator scheme as timing is behind the WGH and GGH schemes and has better road links if a temporary generator is needed.
 - **Joint Capital Construction Framework** - CSC noted the FCSG approval to proceed, endorsed Hywel Dda UHB's participation in the joint framework and approved submission to the next governance stage in line with procurement timelines

CSC 15/1/26

- **Capital Programme 2025/26**
 - The CSC noted spend to date is 34% of the allocation, and took assurance on the update on the programme and the ability to apply the Board Seal to the listed contracts included with the papers.

- **Discretionary Capital Programme (DCP) 2026/27**
 - 2026/27 Discretionary Allocation will increase by 12% to £11.228m.
 - Over £1m unallocated for prioritisation through the scoring matrix.
 - Paper taken to Executive Team 07/01/26 and contents approved with need to consider pending security related capital works.
 - Executives agreed to overcommit by c. £0.5m due to historic in year slippage.
 - There is a significant level of pre-commitments; contingency reserve has been set aside.
 - Early planning underway for 2027/28 allocation

CSC 17/3/26

- **Capital Resource Limit 25/26:**
 - £18.9m remaining at start of March; just under 50%. This is due to late WG allocations and construction scheme timings for end of March 2026.
 - Significant challenge to manage and a risk has been added to the Corporate risk register regarding not achieving the CRL.
- **Discretionary Capital Programme (DCP)**
 - £14m+ additional WG allocations received in-year; not part of original plan for 2025-26.
 - Programme for 2026-27 brought to January CSC and endorsed by SPC for onward ratification by March Board.
 - Bronglais General Hospital (BGH) DEXA scanner funding awarded.
 - Fees to progress Cross Hands Full Business Case and Bandi Business Justification Case approved.
 - Bids for Mental Health & Learning Disabilities (MH&LD) estate improvements submitted with notification to be received prior to election period.

Assure – *The following matters were areas where there was confidence that robust actions are in place and are sufficient to address the issues to operate effectively.*

CSC 15/5/25

- **The Audit Recommendation Update Report** and the progress of the implementation of the outstanding capital themed audit recommendations.
- **The AHMWW Update** and the follow up meeting arranged with WG on 3rd July, 2025
- **Aseptics update** - HDUHB response to the first set of scrutiny questions from WG and Shared Services.

- **WGH Fluoroscopy update** - SBAR is being taken to Board, and highlights that the contract is more than £1m.
- **LINAC update** - a paper will be taken to SBUHB and to HDUHB Board at end of May. Will now include 6th bunker whereas originally included 5th LINAC only.
- **EFAB Update Report** - the GGH lift replacement project will run into the autumn of 2025 with the agreement of Shared Services and WG.
- **Welsh Government (WG) Dashboard Report** on the All Wales Capital Programme (AWCP) and Integration & Rebalancing Capital Fund (IRCF) funded projects, reflecting progress up to the end of April 2025.
- **Capital Governance Report** - CSC noted the projects currently reporting a red ALERT rag status and schemes with significant increase in rag status since the March meeting. The following projects were discussed:
 - Fire Enforcement schemes timelines. *The CSC accepted the advice of the report that the revised timelines were necessary and took assurance on how this had been managed with MWWFRS.*

CSC 17/7/25

- **Capital Resource Limit 25/26** - there is assurance provided on delivery of the CRL.
- The membership updates undertaken to the **CSC Terms of Reference** following Operational OCP
- **The Regional Capital Plan** Update
- **The Welsh Government Dashboard Reports** - 75% of dashboards submitted on time
- **Targeted Estates Funding (TEF) approved by Welsh Government** - CSC took assurance on the schemes noted, excepting the GGH HSDU washer replacement project and the planned 2026/27 EV project, on which CSC was advised, and these would be closely monitored.
- **Capital Governance Arrangements Draft Management Response** The report provided assurance that there were no gaps although there was some duplication. The recommendation was that no changes to be made at this time, pending outcome of further discussions with WG on the work programme.
- **Fire Schemes Update** assurance on the agreements reached with MWWFRS, and the reassurance received from WG on future capital support.
- **Property Asset Strategic Plan Update** and that in 2026 the property plan will need to be refreshed. This will include consultation with services and alignment to Clinical Services Plan. This will also link to the wider estates strategy to support strategic developments.
- **Audit Wales – Report on Review of Capital Investment Prioritisation** - One recommendation was provided which HDUHB accepted. To ensure the Operational directorate was aware of the processes and procedures in place for procuring capital, and to ensure understanding of the requirement for the involvement of the clinical engineering team in this process.

- **AHMWW update** and the meeting with WG 03/07/25. Key points from the discussion include:
 - There was recognition action was needed for both infrastructure and service sustainability.
 - There was discussion on what the fixed points in the programme would be, including WGH with RAAC and other infrastructure issues.
 - WG offered potential opportunity for first phase redevelopment of WGH with suggestion of a short form strategy paper, outlining a first phase as part of the planned site redevelopment, for September.
 - Next meeting date 10/10/25.
- **Medical Devices Annual Update**

CSC 18/9/25

- **The Welsh Government Dashboard** there were two projects for which dashboards were submitted, with 100% returned on time.
- **Targeted Estates Funding (TEF)** tracker was submitted to NWSSP in August with no comments back at this time. All schemes are RAG rated green
- **Audit Recommendation Update Report.** The CSC took assurance from the content of the report and noted the number of outstanding actions against recommendations.
- **AHMWW Programme.** HB are currently having ongoing discussions with WG around the feasibility of a phased development at WGH. could look like. This would address WGH infrastructure issues, however, clinical colleagues may consider this would not address the highest clinical issues. 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. Next meeting scheduled for 04/11/25 with WG to discuss these plans, the major infrastructure programme and potentially lining up with 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

CSC 14/11/25

- **Committee Key Actions** have been reviewed and items noted for information
- **Terms of Reference** have been reviewed with membership reviewed and updated. These are attached for approval by SPC
- **Capital Governance Update** - Capital Sub Committee have taken assurance on the schemes progressing as planned and rag rated green, and were advised on the schemes rag rated amber. The CSC had discussed and were alerted to the schemes rag rated red Fishguard and TEF, and Cross Hands.
- **Welsh Government Dashboard Reports** submitted to WG on the All Wales Capital Programme (AWCP) and Integration & Rebalancing Capital Fund (IRCF) funded projects, reflecting progress up to the end of September 2025.
- **Fire Safety Management Update** on the fire programme.
 - WGH – This is the final stage of works needed at WGH and has now been fully approved by WG.
 - GGH – The business case is on programme to be ready Feb/ Mar 2026.

- BGH – this is a Letter of Fire Safety. PBC submission to WG was in April. There was confidence that this would be endorsed in November.
- **Procurement Update and governance and compliance around the Procurement Act 2023** that came into force in February 2025, introducing new obligations.

CSC 15/1/26

- **Committee Key Actions** have been reviewed and items noted for information
- **Capital Governance Update**
 - Capital Sub Committee have taken assurance on the 9 projects rag rated green, and were advised on the 9 schemes rag rated amber.
 - The CSC were alerted to the 2 schemes rag rated red:
 - Cross Hands- Since the report was prepared there was a positive meeting with WG, agreed for IRCF Panel on 11 Feb 2026.
 - Fishguard - Further internal discussions required on land and financial envelope.
- **Audit Recommendation Update Report** - the CSC took assurance from the content of the report and noted the number of outstanding actions against recommendations.
- **Welsh Government Dashboard Reports** submitted to WG on the All Wales Capital Programme (AWCP) and Integration & Rebalancing Capital Fund (IRCF) funded projects, 3 out of 4 submissions were on time for the period.
- **Targeted Estates Funding Update Report** - CSC noted the content of the report and the tracker
 - 3 projects are complete.
 - 5 projects are now on site.
 - Detailed Design Work has commenced on 6 projects.
 - It was agreed to defer 3 projects to future TEF programmes with the aim to bid for TEF slippage funds if they arise.
- **Major Infrastructure Update**
 - Strategic document submitted and supported by WG includes 10 projects broken into 3 phases.
 - £895k in fees released to develop BJs for first three schemes:
 - Discussions underway with WG regarding releasing funds for 2nd phase.
 - Team to consider capacity to deliver schemes at pace.
- **Reinforced Autoclaved Aerated Concrete (RAAC) Update**
 - Although still a significant issue for the UHB, RAAC was being proactively managed, and noted the capital requirements and the ongoing impact of RAAC until there was a solution.

- The CSC accepted the recommendations and noted there were several actions that would be reported back to subsequent CSC meetings.
- The risk of potential catastrophic failure between surveys was raised. It was confirmed this risk was monitored as a site-based risk and updated regularly.
- **Infection Control Update**
 - The IPC update was provided on IPC priorities as part of the meeting papers.
 - Discussions to be held regarding allocation in next year's programme to deal with clinical and IPC issues.
- **AHMWW Programme Business Case (PBC) Update**
 - Draft PBC Addendum prepared and taken to special Strategy & Planning Committee 16/01/26 and Board 29/01/26.
 - The addendum introduces a new 'do medium' option which doesn't have a community hospital development on the GGH site. If all was to go as planned, this would be taken to Infrastructure Investment Board (IIB) late Feb-March and considered by WG ahead of the election.
- **Infrastructure Investment Plan**
 - Noted and to be finalised ahead of the Annual Plan, during Feb-March.
- **Diagnostic Imaging Update**
 - Good progress made with equipment replacement schemes although less funding received than some previous years.
 - Equipment continually needed replacing so there was continuing risk.
 - A meeting has been arranged to convene a group to evaluate options and strategic placement.
- **Regional Capital Plan Update**
 - Programme includes Carmarthen Hwb, Cross Hands, Fishguard, Bandi and two partner-led schemes (Cylch Caron, North Pems Care Campus).
 - Regional drawdown:
 - £14m in 2025/26
 - £16.5m estimated for 2026/27

CSC 17/3/26

- **Committee Key Actions** have been reviewed and items noted for information
- **Self-assessment of Sub-Committee Effectiveness** Annual Report was endorsed by CSC for onward submission to SPC in April 2026

- **Capital Governance Update.** Capital Sub Committee have taken assurance on
 - the 13 projects rag rated green, and were advised on the 5 schemes rag rated amber.
 - The CSC were alerted to the 2 schemes rag rated red
 - led by the UHB: Fishguard Health & Well-being Centre (Land availability challenges resulting in land workshop delay).
 - Led by Carmarthenshire CCC - Atriwm' (formerly Carmarthen Hwb): delayed completion date with December 2026 completion; opening January 2027. Working group established and work ongoing to mitigate the impact of the delay

- **Welsh Government Dashboard Reports** submitted in February were returned to WG on time; no comments had been received.

- **Targeted Estates Funding Update Report** - CSC noted
 - the content of the report and the Green overall programme status
 - All projects on time and on track to close out expected spend by FYE and no concerns around risks
 - There are four additional MH&LD schemes bid for, with 100% funding by WG. Response to bids awaited.
 - As part of the Capital update provided to SPC, this will in future cover detail of the TEF schemes

- **Fire Schemes Update** – CSC received assurance that
 - the schemes on the Letters of Fire Safety are being progressed.
 - The CSC acknowledged and gained assurance from the agreements reached with MWWFRS for the future programme on Fire Investment Projects, and noted that further updates will be presented at future CSC meetings

- **The updated Capital Planning Group and Capital Monitoring Forum Terms of Reference** were reviewed and approved for onwards submission to SPC for approval

- **AHMWW Programme Business Case (PBC) Update.** The CSC took assurance from the update, Key points include:
 - WG have indicated the PBC addendum to be considered at 17/04/26 Infrastructure Investment Board (IIB)
 - NHS Wales Chief Executive & Deputy Chief Executive visit on 02/04/26.
 - Parallel work on OBC preparations recommended by WG, as any service or activity modelling can support the case for change; this must be funded through DCP.

- Meeting held with WG w/c 16/03/26 to review scrutiny comments on PBC addendum and NWSSP reviewing submitted documents.
- **Infrastructure Investment Plan** CSC approved the IIP and noted this would be submitted to Welsh Government Capital team for information.
- **Arts and Health Annual Update** CSC noted the:
 - Multiple arts-based environmental enhancement projects that have been delivered, notably the Leri Cancer Unit flagship project
 - Increasing demand for arts integration across departments.
 - Challenges include: limited team capacity and resource; fragmented approach with development of public art framework being looked at; procurement complexities; gaps in funding; barriers to participation; gaps in artist skills for clinical settings; evaluating the work.

6. Conclusion

The Sub-Committee is satisfied that it continues to operate effectively and in line with the Terms of Reference. Issues have been escalated to the Committee as appropriate to evolve and continually improve.