

CYFARFOD BWRDD PRIFYSGOL IECHYD UNIVERSITY HEALTH BOARD MEETING

DYDDIAD Y CYFARFOD: DATE OF MEETING:	30 January 2025
TEITL YR ADRODDIAD: TITLE OF REPORT:	Annual Plan 2024/25 and Development of Annual Plan 2025/26
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Lee Davies, Executive Director of Strategy and Planning
SWYDDOG ADRODD: REPORTING OFFICER:	Shaun Ayres, Programme Director - Targeted Intervention Daniel Warm, Head of Planning

Pwrpas yr Adroddiad (dewiswch fel yn addas)

Purpose of the Report (select as appropriate)

Ar Gyfer Penderfyniad/For Decision

ADRODDIAD SCAA

SBAR REPORT

Sefyllfa / Situation

This report provides a position on progress against the 2024/25 Annual Plan and Targeted Intervention (TI) objectives, while also updating on the development of plans for 2025/26 and beyond.

Cefndir / Background

Planning Framework

Since the previous Board meeting in November 2024, the NHS Wales Planning Framework has been issued via letters to the Chair and Chief Executive on 20 December 2024. These are attached as Appendices 1 and 2. The Framework identifies the ministerial priorities as:

- Timely access to care
- Population health and prevention
- Building community capacity
- Mental health access
- Women's health

The Framework also provides a set of enabling actions which Welsh Government (WG) are mandating on the basis of "adopt or justify".

Mid-Year Joint Executive Team (JET)

The most recent bi-annual JET meeting took place with Welsh Government on 29 November 2024. The subsequent letter (Appendix 3) acknowledges progress and highlights the following:

- **Urgent and emergency care:** remains under pressure and the plans in place need to demonstrate results
- **Cancer pathways:** performance is unacceptable and sustained improvement is required
- **Children's neurodevelopmental services:** the work in this area needs to continue
- **Financial deficit:** essential that the Health Board continues to reduce the financial deficit

These areas align with the 'alerts' coming through the Health Board's business and governance arrangements.

Financial Allocations and the Revised Control Total

Recent letters from Welsh Government (WG) (Appendices 4 and 5) confirmed an additional allocation which reduces the Health Board's projected deficit for 2024/25 from £64m to £31.55m. In the letter, the progress the Health Board has made in savings delivery and the TI action plan is acknowledged. This financial support is contingent upon the Health Board meeting specified delivery conditions:

- Deliver the £31.55m control total for 2024/25
- Agree a financial improvement trajectory with WG which delivers in-year financial balance by the end of the next three-year IMTP cycle
- Sustain delivery of the 104-week planned care target in 2025/26 and ensure improvements in timely access to cancer care
- Progress implementation of a sustainable clinical services plan
- Deliver a tangible specialty specific regional change programme with Swansea Bay

Taken together, these provide a coherent overview of the Health Board's position today, the priorities for next year and the steps toward a more sustainable future in mid and west Wales. The plan for 2025/26 must therefore deliver tangible improvements in urgent care, planned care and cancer, while staying within the revised control total. Equally it will be important to set out how, over the three-year period, the Health Board will establish the building blocks for longer-term change to provide sustainable services and shift the balance towards population health and primary and community care, in line with *A Healthier Mid and West Wales*. Within this, the plan for 2025/26 will need to build a path towards an Integrated Medium-Term Plan (IMTP) in future years.

Asesiad / Assessment

Progress on the 2024/25 Annual Plan and Targeted Intervention

The most recent internal review of Targeted Intervention (TI) criteria has confirmed 14 alerts that require focused effort in the remainder of this year and will influence the 2025/26 Annual Plan. Each of these alerts have been reported to and scrutinised by the relevant committee in December 2024. The main areas of note are:

1. Workforce and Variable Pay

- *Nurse Stabilisation* - The programme launched in November 2021 has significantly reduced agency usage and delivered recurrent savings. This has been a genuine success story for 2024/25 and provides a template for further improvements.
- *Extending Stabilisation* - This methodology is now being applied to Allied Health Professionals (AHPs) and medical variable pay. The current TI alert highlights ongoing reliance on locums and temporary staff in clinical areas, reinforcing the need to embed stabilisation across all workforce groups.

2. Cancer Performance

- *Recent Improvement* - November's Single Cancer Pathway (SCP) compliance reached 55.5%, up from 40–48% in earlier months. This indicates that the diagnostics and outpatient improvement plans are beginning to have an effect; however, performance remains below an acceptable level.

- *Maintaining Momentum* - While the aim within the annual plan is for a higher target (75%), the TI de-escalation criteria requires at least 60% compliance for three consecutive months. Meeting or exceeding that threshold, even amid capacity constraints in specialties such as radiology and dermatology, remains an urgent priority as we finalise the 2025/26 trajectories.

3. Urgent and Emergency Care Performance

- *December Challenges* - The 1-hour ambulance handover performance has deteriorated recently, reflecting pressures across the system. Performance data indicates front-door flow has not stabilised as effectively as hoped in all sites.
- *Actions in Place* - The respective teams will continue to implement the 12-week Carmarthenshire programme, the Six Goals initiatives, and the 50-day winter challenge - all designed to reduce delays, improve clinical decision-making at the front door and support earlier discharge to community settings.

4. Financial Control Total (Revised to £31.55m)

- *Progress to Date* - Following the allocation of £6.45m recurrent, plus an additional £26m conditional funding from Welsh Government, the Health Board has a revised target control total of £31.55m. The financial report provides a detailed update. In summary, there is increasing confidence of delivering this revised total, and potentially exceeding it, due to strengthened cost controls, substantial savings from workforce stabilisation and sustained focus across the organisation.
- *Key Conditions* - As noted above, Welsh Government has made clear that receiving this funding recurrently is dependent upon meeting specified conditions, including performance improvements and development of a plan to break-even. Failure to meet these conditions could jeopardise the additional funds.
- *Link to 2025/26 Planning* - While securing or surpassing the £31.55m control total represents a significant achievement this year, it is now necessary to prepare a clear path to in-year balance by the end of the next three-year IMTP cycle (2025/26 to 2027/28). The 2025/26 plan will therefore need to build on the progress to date, focusing on recurrent efficiency gains - especially around workforce, clinical service redesign, and digital enablers - to ensure long-term sustainability.

5. Strategic Refresh and Service Sustainability

- *Background* - Although *A Healthier Mid and West Wales* remains our guiding framework, the November 2024 Public Board meeting recognised the need for a strategic refresh - partly in response to changing capital assumptions, post-pandemic pressures, and the time elapsed since the current strategy was drafted and approved.
- *Sustainability* - The sustainability of the workforce, performance and financial plans referenced above are intrinsically tied to the Clinical Services Plan (CSP) and the forthcoming strategic refresh, both of which are also featured as TI alerts. Phase 2 of the CSP has now concluded, having benefited from good Health Board engagement; and a separate Board report provides an update on the plans for phase 3. Linked to the strategic refresh, the scope for a further CSP iteration will be a key consideration as part of the 2025/26 plan.

Next Steps in 2024/25

Quarter 4 (Q4) focus

- Sustain the positive impacts of nurse stabilisation while rolling out similar workforce strategies to AHPs and medical staffing.
- Maintain and improve the current upward trend in cancer SCP compliance, focusing on diagnostic bottlenecks.
- Accelerate site-level work on ambulance handovers and ED waits, making full use of the 12-week Carmarthenshire improvement plan, Six Goals programme and 50-day winter challenge.

Preparation for 2025/26

- Finalise performance improvement trajectories, aligned with the financial and workforce plans, ensuring the next Annual Plan (2025/26) is both ambitious and realistic.
- Begin shaping the strategic refresh and Programme Business Case (PBC) alignment (following attendance at WG's Infrastructure Investment Board on 23 January 2025), so that improvements this year align with the longer-term strategic plan.

By responding to these current-year alerts in Q4, the aim is to strengthen the position heading in to 2025/26. This will not only support TI de-escalation but also maintain the improvement momentum needed to deliver safe, sustainable services for the communities in mid and west Wales.

2025/26 Annual Plan (set within a Three-Year Context)

The Health Board has a statutory duty to develop a financially balanced plan over the period of an Integrated Medium Term Plan (IMTP). Despite the improved financial position, the Health Board remains a significant distance from financial balance and consequently it is proposed that the 2025/26 plan will again be an annual plan, set in a 3-year context, and not an IMTP. This will require an accountable officer letter to be submitted to Welsh Government by 14 February 2025, as it represents a breach of the Health Board's statutory duty, ahead of a final submission of the Plan to Welsh Government by 31 March 2025.

The intention is to construct a plan for 2025/26 which meets the TI requirements across the six domains and responds to the WG expectations within the NHS Wales Planning Framework (as set out in the letters of the 20 December 2024 from the Cabinet Secretary for Health and Social Care and the NHS Wales Chief Executive, Appendices 1 and 2). At the same time, the plan will need to lay the groundwork for longer-term strategic change, aligned to *A Healthier Mid and West Wales*. This will involve actions to provide more timely access (in particular urgent care, planned care and cancer); development of community services and population health initiatives; and a refresh of the strategy, incorporating key components such as the Clinical Services Plan, the Primary and Community strategic plan, Digital etc. More detail is provided in the Board report on the Strategy Refresh.

Year One (2025/26): Delivery of TI criteria and Ministerial Priorities

Key deliverables for 2025/26

Building on the approach for 2024/25, the annual plan will seek to deliver balanced and sustained improvement in the key areas:

- **Timely access** – A key priority is to consistently meet the performance targets linked to TI. These include improving cancer performance (TI criteria is above 60% delivery), urgent and emergency care metrics (e.g. reducing ambulance handovers), mental health performance and planned care backlogs (building on the foundations set out in 2024/25).

At the same time, the aim is to exceed these base expectations where possible, as per WG's planning framework, which sets out further improved performance in a number of key areas (for instance, working towards 80% on the Single Cancer Pathway by the end of 2025/26).

- **Quality and safety** – continued focus on reducing healthcare acquired infections, including delivery of the requirements to meet the TI de-escalation criteria
- **Workforce stabilisation** – following the success of the nurse workforce stabilisation programme, the approach will be applied to medical workforce during 2025/26; progress in this area will be critical to ensure sustainable service models and reduce fragilities
- **Financial roadmap** – as noted, the plan to be submitted to Board is required, as a minimum, to deliver the financial control total for 2025/26 of £31.55m and set out the route to financial balance within the three-year period covered by the plan
- **Women's health** – development and delivery of the Health Board's action plan, aligned to the recently issued national plan, including the establishment of a women's health hub
- **Transformation with Digital at the heart** - following the appointment of a strategic partner, the aim for 2025/26 is to introduce key foundational systems, such as Patient Flow, eObservations and electronic prescribing and medicines administration (ePMA) ensuring improvements in patient care
- **Population health and prevention** –
 - Explore developing the 20-4-7 model for strengthening the Health Board's approach to population health, including enhancing the prevention and early intervention focusing on the lowest 20% Welsh Index of Multiple Deprivation areas, on the four key preventable risk factors, and the key drivers of the burden of disease.
 - Strengthen work on improving uptake of immunisations with focus on MMR and annual seasonal flu vaccination, preparedness to respond to outbreaks and future pandemics, and develop climate change adaptation plan;
 - Further develop and embed frameworks for enhancing prevention and early intervention in UHB leadership, pathways, workforce initiatives, intelligence and accountability
 - Tackling health inequalities – developing initiatives that help embed our social model for health across the Hywel Dda region, including through social innovation partnership with University of Wales Trinity St David
- **Clinical Services Plan** – the conclusion of phase 2 was reported to Board in November 2024, and the programme will undertake public consultation on the Clinical Services Plan (phase 3) during 2025/26 and commence implementation (phase 4) subject to Board decision-making
- **Strategic refresh** – following agreement at the November 2024 Board meeting, a key priority will be to undertake a refresh of the AHMWW strategy; incorporating the Health Board values, strategic goals and infrastructure plans
- **Regional working** – the recently formed Joint Committee with Swansea Bay, alongside the Mid Wales Joint Committee and the Regional Partnership Board, will be important collaborations to plan and deliver health and care services across Mid and South West Wales
- **New operational structures** – an important priority for 2024/25 was to form new operational structures to provide solid foundations to deliver many of the improvements set out above; these new structures will come into place fully from April 2025 and a key objective for the forthcoming year will be to fully establish the new Clinical Care Groups and support their maturation into high functioning business units

In addition, consideration is being given to the opportunities to transform the customer service offering and the staff experience of work.

Actions and milestones will continue to be tracked through clearly defined Planning Objectives (POs) and regularly reported to the appropriate committee. Each PO will also

support delivery across the Efficiency, Productivity and Value themes - people, place, enablers, quality, value and outcomes, and clinical service models (see report on Finance Strategy).

Consequently by the end of 2025/26, we expect to have continued to improve the access to services (urgent and emergency care, cancer, planned care, diagnostics), further reduced the financial deficit, agreed the future service models for the nine services within the CSP, and set the foundations for delivering the AHMWW strategy through progressing the strategic refresh and the key component strategic plans – digital, primary and community, population health and infrastructure. Furthermore, the new Clinical Care Groups will be fully established and well placed to develop and deliver the key plans for years 2 and 3.

Years Two and Three: Building on Year One, Toward the AHMWW vision

It is anticipated that, having laid the foundations in 2025/26, years two and three will continue to deliver progress in the areas identified above. This will include:

- Further reduction of the financial deficit toward a sustainable, break-even position for 2027-28
- Improved access (in line with national targets) and patient experience
- Implementation of CSP 1 and potential progression of a CSP 2, subject to Board agreement
- Stabilisation of the medical workforce and reduced reliance on locums and additional sessions
- Development of the strategic refresh, including capital plans, clarifying the role of each site and the primary and community strategic plan
- Progress in delivering the digital strategy
- Furthering the shift towards population health and the social model for health
- Deepening the regional working arrangements to respond to fragilities and provide seamless care across organisational boundaries

The aim is that, over the three-year period, the Health Board will have delivered sustainable improvements in the timely access to services, reached financial balance, stabilised the clinical workforce, responded to the most significant service fragilities, built up community capacity and activities to improve the health of the population, and established the strategic way forward. This would leave the Health Board well positioned to develop an Integrated Medium-Term Plan for 2027/28 onwards.

Summary

The approach aims to ensure that Year One (2025/26) addresses both the TI criteria and WG expectations within the Planning Framework, particularly performance improvement and financial deficit reduction, while also creating the platform for improved quality of care and the strategic transformation toward AHMWW. As stated, the operational plans submitted by Directorates will be aligned to the Planning Objectives and the Efficiency, Productivity and Value themes, all in support of the shift-left philosophy set out in AHMWW and wider models of care. By combining immediate delivery with a clear roadmap, the intention is to meet ministerial expectations and demonstrate tangible progress to Welsh Government, staff, and communities across mid and west Wales.

Argymhelliad / Recommendation

The Board is asked to:

- **NOTE** the content and expectations within the 2025/26 NHS Wales Planning Framework and the JET and Financial Allocation Letters
- **DISCUSS** the current 2024/25 alerts and the actions in place to mitigate the issues
- **ENDORSE** the development of an annual plan for 2025/26, set within a 3-year context, whilst acknowledging this is a breach of the Health Board's statutory responsibility
- **APPROVE** the submission of an accountable officer letter to Welsh Government
- **ENDORSE** the proposed approach and key deliverables for the 2025/26 annual plan

Amcanion: (rhaid cwblhau)

Objectives: (must be completed)

Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not applicable
Parthau Ansawdd: Domains of Quality Quality and Engagement Act (sharepoint.com)	7. All apply
Galluogwyr Ansawdd: Enablers of Quality: Quality and Engagement Act (sharepoint.com)	6. All Apply
Amcanion Strategol y BIP: UHB Strategic Objectives:	All Strategic Objectives are applicable
Amcanion Cynllunio Planning Objectives	All Planning Objectives Apply
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2021-2022	9. All HDdUHB Well-being Objectives apply

Gwybodaeth Ychwanegol:

Further Information:

Ar sail tystiolaeth: Evidence Base:	Not applicable
Rhestr Termiau: Glossary of Terms:	Not applicable
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	Board (March 2024 for approval of submission of 2024/25 Annual Plan to Welsh Government) Board for revised trajectories (May 2024)

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	This is a key component in the delivery of the Integrated plan for the period 2024/25
Ansawdd / Gofal Claf: Quality / Patient Care:	This is a key component in the delivery of the Integrated plan for the period 2024/25
Gweithlu: Workforce:	This is a key component in the delivery of the Integrated plan for the period 2024/25
Risg: Risk:	Risks will be assessed as part of the ongoing process of both the development of the 2024/25 Plan and its subsequent monitoring
Cyfreithiol: Legal:	As above
Enw Da: Reputational:	Hywel Dda University Health Board needs to meet the targets set in order to maintain a good reputation with Welsh Government, together with our stakeholders, including our staff
Gyfrinachedd: Privacy:	Not applicable
Cydraddoldeb: Equality:	Consideration of Equality legislation and impact is a fundamental part of the planning of service delivery changes and improvements



Ein cyf/Our ref: MA/JMHSC/10881/24

NHS Chairs

20 December 2024

Dear colleagues,

Working together to transform services - NHS Wales Planning Framework 2025-2028

As we work together to transform health and care services in Wales, I am delighted to be presenting my first NHS Wales Planning Framework. It is an opportunity for me to set out my high-level ambition for our health and care system that I know you will share.

There has been a period of considerable uncertainty since the onset of the pandemic in 2020 and recovery of health and care services is clearly still not where it needs to be for patients in Wales. I want to see a speeding up of improvements in delivery, drawing on innovative as well as familiar approaches. Quality, safety and the improvement of outcomes must be at the forefront of all the choices and decisions we make in all parts of our NHS.

Delivery and Performance

This Framework sets out the strategic priorities that must be delivered by all health boards, and (where relevant) other NHS organisations over the next three years. They are in areas which have been consistently raised through the First Minister's conversations and engagement with the public and staff since the summer. They are important to Welsh citizens. The areas of focus are broadly:

- Timely Access to Care
- Population Health and Prevention
- Building Community Capacity
- Mental Health Access
- Women's Health

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

More specifically, the delivery expectations which are required in each of these strategic priority areas are set out in Annex 1.

I want to see a concerted focus on these in your plans in order to make early and sustainable gains for the population of Wales. Delivering these should be at the centre of how you plan resources and capacity in order to see greater pace and purpose. Progress in some of these areas will require you to prioritise partnerships with social care. Delivering on these expectations will help achieve the improvements in performance and outcomes that we would all wish to see in year 1 of your plans (2025-26). I expect to see continual and consistent improvement towards delivery across all the strategic priority areas over the three years.

To support you to deliver against these expectations, we are setting out a number of enabling actions (attached as Annex 2) which we are mandating on the basis of “adopt or justify”. Each has an evidence base to demonstrate improved efficiency and/or outcomes, without driving additional cost. They are the product of work underway through the National Strategic Programmes, the Strategic Clinical Networks and the Value and Sustainability Board. They are already required, but implementation across Wales is inconsistent. We need to see more consistent application and implementation – this is good for patients and good for value and sustainability. Progress against the mandated enabling actions, along with an assessment of the associated productivity, efficiency and/or financial gains must also be reflected in your plans.

Although this Framework is clear about the national priorities that your plans need to most focus on, NHS organisations need of course to commission and/or provide a wide range of services to improve the health of their populations and to meet the strategic objectives of A Healthier Wales, within the resources available to them. I trust that your Boards will keep this balance in mind when making decisions and choices in other areas.

Local health boards are best placed to identify the needs of their local populations, so whilst setting out my expectations for delivery against the 3-year national strategic priorities, Year 1 delivery expectations and enabling actions, I recognise that this means greater flexibility in delivering on other areas.

I look forward to an ongoing dialogue with you on this – your suggestions about how we can identify areas to consider for de-prioritisation would be welcome. In fact, several of the enabling actions relate to activity which *must* be deprioritised and stopped where there is evidence of waste, harm or variation resulting in no (or low) clinical value or effectiveness.

I also want to explore with you how we can streamline the working relationship between the Welsh Government and NHS health boards and organisations, so that we can ensure that our data reporting, accountability and other systems are always proportionate, not over-complicated and reduce duplication. As a tangible example of this in the coming months, I expect that this will be the last year in which our planning framework is published separately and I have set an objective for the Welsh Government to integrate the quality, planning and performance frameworks to streamline our requirements in future.

To begin this process of alignment, this year’s NHS Wales Planning Framework is being issued at the same time as the NHS allocation framework for 2025/26 to ensure absolute clarity about the parameters within which your plans must be developed. Delivering financial improvement and sustainable financial positions, maximising the use of our resources, and increasing our productivity and efficiency, continue to be critical in delivering this agenda.

To support delivery and performance across our NHS, the Ministerial Advisory Group on Performance and Productivity will provide me with its findings and recommendations by the end of March. I will want to work collaboratively with you in responding to those recommendations to ensure that we can reap the benefits of the improvements that we wish to see across the system.

I am keen to ensure all parts of our NHS seek continuously to learn from best practice both from within the NHS in Wales and beyond, proactively working together to identify successful innovation – applying a principle of “adapt, adopt or justify”. This includes rapid progress on digital innovation and transformation, to strengthen the delivery of services.

I also want to understand how organisations are collaborating to create new regional ways of working to deliver quality, access and levels of care that often cannot be delivered by one organisation alone. It is imperative that health boards grasp the opportunities this can bring, in the interests of better patient outcomes and sustainable services.

All organisational planning and delivery must be built upon the domains of improving quality, safety, outcomes and value, supported in turn by robust enabling plans for capital, digital, collaborative working and the NHS workforce.

Workforce and Leadership

I am grateful for the dedication and commitment of our workforce across the NHS in Wales, who are at the heart of the experience and quality of services we deliver for our patients. Investment in building our workforce has increased year on year, and we must continue to focus, in social partnership, on ways to engage and empower our people to deliver safely, effectively and flexibly across the NHS in Wales.

Leading with compassion at all levels across the NHS in Wales will mean we properly listen to, understand, and empathise with our workforce so that we can help to remove the challenges and barriers they are experiencing which are getting in the way of delivering improved services for the people of Wales. Creating a safe and inclusive culture and collaborative leadership across the NHS is key to empowering people to deliver their best. This will value individuals' contributions and develop more effective teams who are confident to make effective decisions, for example about care, treatment and discharge. Effective leadership - regardless of hierarchy - is also crucial to fostering team, organisational, regional and system-level innovation by seizing opportunities to adapt and improve service delivery.

I expect to hear how organisations are developing their leadership and culture to ensure the safety, health and well-being of their workforce to enable them to deliver, optimise their team effectiveness and improve their services.

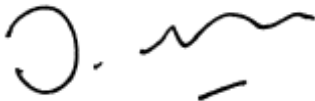
Outcomes that matter to people

In the coming months I intend to continue to talk with the public and the NHS workforce across Wales to hear about the challenges and opportunities across the health and care system. Some of the key issues which we are working on together, such as long waits for treatment, and discharge from hospital are of course already high on the agenda for the public, patients and health and care staff. It is imperative that we are clear about what must be done in the short term and what we need to do in the longer term, to live healthier lives through preventative approaches and avoid the need for hospital care where we can. There

are no simple solutions so I want to explore with the public what reforms and service developments can be set in train to support the NHS to adapt for the future.

We must act to balance better long-term outcomes with addressing the here and now issues that face our communities, our patients, our workforce and our health and social care system. I know that all of your staff working on the front line and delivering care in our communities, day in and day out, are at the heart of everything that needs to be done. With your support I am confident that we can together make the improvements we all want to see.

Yours sincerely,

A handwritten signature in black ink, consisting of a large 'J' followed by a series of wavy lines and a short horizontal stroke at the end.

Jeremy Miles AS/MS

Ysgrifennydd y Cabinet dros Iechyd a Gofal Cymdeithasol
Cabinet Secretary for Health and Social Care

**Cyfarwyddwr Cyffredinol Grŵp Iechyd, Gofal Cymdeithasol a'r
Blynyddoedd Cynnar / Prif Weithredwr GIG Cymru**

**Director General Health, Social Care & Early Years Group / NHS
Wales Chief Executive**



**Llywodraeth Cymru
Welsh Government**

NHS Wales Chief Executives

20th December 2024

Dear Colleagues

NHS Wales Planning Framework 2025-28: Supporting Governance Arrangements

You will be aware that the Cabinet Secretary for Health and Social Care has written to your organisation's Chair setting out the NHS Wales Planning Framework for 2025-28: *Working together to transform services*. I am now writing to confirm the supporting process and governance arrangements. I am also pleased to be able to write to you following the recent publication of the refreshed 'A Healthier Wales' actions, as it is important these are reflected in your planning going forward, as well as the need to demonstrate prevention throughout organisations' plans. The Well-being of Future Generations (Wales) Act 2015 continues to set the context and requirements, including prevention, in which organisations operate.

All health boards and NHS trusts have a statutory duty to produce an Integrated Medium-Term Plan (IMTP), which sets out how they will secure compliance with their break-even duty over a rolling three-year accounting period, while improving the health of the people for whom they are responsible and the provision of healthcare to such people. You must also continue to plan for the longer term and to support delivery in line with your strategic objectives and clinical services/ organisational strategies.

IMTPs will need to follow the familiar formula for the three-year plans with 'Firm, Indicative and Outline' levels of detail and a clear progression over time. Submissions should therefore include a narrative three-year plan, and completion of the Ministerial templates. This must align to the Minimum Data Set (MDS) which also underpins the development of plans. The narrative three-year plan should set out what has been delivered, what has been progressed and what was unable to be delivered from the previous submission. Year one of your plans must contain a level of detail that provides clarity on milestones, actions and projections that set the ambition for operational delivery and management of risk for the year ahead, along with financial sustainability. For clarity, I expect Boards to ensure all opportunities are fully explored to enable organisations to deliver the priorities in line with allocated resources and in a sustainable way going forward. Boards must fully understand and set out any risks to delivery of the plans and have mitigations identified prior to

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submission of plans. This will help us with the assessment of plans, together with supporting the Cabinet Secretary in making early decisions about plan approvals.

You will have seen the key strategic priorities set out by the Cabinet Secretary for Health and Social Care, which are supported by a number of delivery expectations and mandated enabling actions for year 1 of your plans. These priorities, expectations and actions must be central to year one plans with resources clearly identified and committed. The Framework is clear that these are the top priorities plans need to focus on, but do not exclude the wider range of services NHS organisations still need to commission and/or provide to improve the health of their populations within the resources available. The HSCEY Planning Team will share technical guidance on the development of plans with NHS planners in due course and will engage with your organisations as you finalise your plans.

As in previous years, quality, safety and the reduction of health inequalities within and across communities must continue to underpin NHS planning. Evidencing the approaches being taken across these areas need to be set out in the narrative three-year plans. Quality and equity are important threads running through all service and care provision that organisations will want to demonstrate. Your Anti Racism Action Plans should continue to address employment and service delivery as a specific part of your wider approach to equality, inclusion and diversity. The Duty of Quality in particular places a requirement on all of us, as individuals and organisations, and we must take into account the 12 Health and Care Quality Standards when making decisions and planning services. This framing will also be used in the assessment of plans.

Financial Planning

You will recognise that since the Welsh Government mid-year budget in 2023/24 and initial setting of target control totals for health boards, along with the significant investment made in the NHS in 2024/25, that delivering improvements in financial terms, and delivering sustainable financial positions is a priority for NHS bodies.

I want to see greater progress towards delivery and efficiency of services within available resources. We need to see greater financial improvement at pace, alongside other priorities, as you work to achieving financial balance. We will provide further detail of the allocation and budgetary framework for the NHS for 2025/26 alongside this letter.

Continued scrutiny, nationally and locally, on financial management is central to ensuring that progress continues to be made by organisations in driving down financial risk. Please ensure that there are mechanisms in place to consistently align and understand the impact of any financial or workforce decisions on the delivery of plans.

The continued challenges of the financial environment are well understood and therefore maximising all opportunities for transformation, utilising new technologies that create efficiency, productivity and improved patient experience and outcomes must be delivered. The priority focus areas are captured as the enabling actions that must be implemented as outlined in the planning framework. The rollout of digital solutions continues to be a part of our future service provision and must be accelerated where it is possible to do so within available resources. I will be ensuring the Value & Sustainability Board agenda nationally continues with the good progress we are making and focusses on the key priorities and expectations set out by the Cabinet Secretary. Organisations must develop plans locally that deliver on these requirements.

Integrated arrangements

The new Performance Framework will be issued shortly and will reflect the range of key performance information that complements the Minimum Data Set (MDS), that you will provide alongside your narrative three-year plans.

The Cabinet Secretary will require Ministerial templates setting out the delivery of year 1 commitments against each of the key strategic priorities, aligned to your plans to accompany the submission.

NHS plans must continue to be underpinned by collaboration across health board and public sector boundaries and for example ensure they are aligned to Cluster, Pan Cluster Planning Group (PCPG) and Regional Partnership Board (RPB) plans. Regional planning between health boards is also a key requirement. I expect to see tangible commitments to regional delivery in your plans.

There are legislative requirements that need to be considered in your planning. These being:

The Well-being of Future Generations (Wales) Act 2015 provides Wales with groundbreaking legislation that places a statutory duty on public services to ensure that we make the best decisions that address the here and now as well as the future. It provides the overarching context for *A Healthier Wales* (including the refreshed actions) and the driver for better health outcomes going forward. To give current and future generations a good quality of life we need to think about the long-term impact of the decisions we make. While this provides clear challenges, the opportunities are immense. Using the sustainable development principle and the five ways of working, as part of our governance and decision making, we can create the environment in which populations can thrive.

Social Partnership and Public Procurement (Wales) Act 2023 – complements the Wellbeing of Future Generations (Wales) Act 2015 and will require NHS bodies to consider the new social partnership requirements when taking specified actions, including the setting or revising of their wellbeing objectives in light of the new requirements. The NHS is already a leader in social partnership and procurement and much of the legislation will already be familiar. The link to key information is attached [Social Partnership and Public Procurement \(Wales\) Act | GOV.WALES](#)

The [Health Service Procurement \(Wales\) Act](#) gained royal assent in February 2024 and the regulations to introduce the [Provider Selection Regime Wales](#), or PSR Wales, will give the NHS Wales and local authorities in Wales the ability to implement more flexible procurement practices when sourcing services provided as part of the health service in Wales. Subject to the Senedd's agreement of draft regulations, it is proposed that the PSR Wales will commence on the 24 February 2025.

The Duty of Quality and Duty of Candour came into effect in April 2023. It is incumbent on all of us to ensure we are delivering safe quality services. We need to keep in mind the 12 'Health and Care Quality Standards'. Similarly, the series of Quality Statements that have been issued by Welsh Government, offer strong guiding principles on what 'good services' should aspire to, and boards must satisfy themselves that they have achieved the right balance in their planning.

Timetable for submission

The plan submission is due by 31st March 2025. Welsh Government will support early assessment and decisions on plans to help ensure that there is no pause in the delivery of key priority areas. Accountability conditions and escalation status already in place will remain extant until any further communication is made.

You will be required to submit an Accountable Officer letter to me by 14 February 2025 if your organisation is unable to produce a balanced IMTP. It will be clear at this point whether the organisation will have breached its statutory duty which may lead to further required actions and potentially escalation.

The escalation status of your organisation, that has been confirmed recently, and specifically alignment with any de-escalation criteria (where applicable) will need to be reflected in your plans. Colleagues within the NHS Executive should support your actions where appropriate.

By 14 February 2025 - Accountable Officer letter (if appropriate)

By 31 March 2025 – Plan, Ministerial templates and MDS submission, including the financial templates. Earlier submissions will be welcomed.

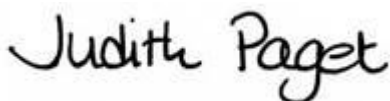
Please note the Ministerial template and MDS template will be circulated to your Directors of Planning in due course.

In addition to publishing your Board approved plans, each organisation is asked to develop a short video summarising what your plan will deliver, which can be shared with your stakeholders on your websites and social media channels.

Thank you for your leadership and support for these crucial strategic and operational planning arrangements. A secure and planned system is essential to deliver the improvements we all want to see, and I look forward to receiving your plans in March.

If you have any questions, please contact Samia Edmonds, Director of Strategic Planning who will provide further details if required and will continue to liaise with NHS Directors of Planning.

Yours sincerely



Judith Paget CBE

cc: Nick Wood, Deputy Chief Executive, NHS Wales
Samia Edmonds, Director of Strategic Planning
Hywel Jones, Director of Finance
Jeremy Griffith, Director of Operations

Cyfarwyddwr Cyffredinol Grŵp Iechyd, Gofal Cymdeithasol a'r
Blynyddoedd Cynnar / Prif Weithredwr GIG Cymru

Director General Health, Social Care & Early Years Group / NHS
Wales Chief Executive



Llywodraeth Cymru
Welsh Government

Phil Kloer
Chief Executive
Hywel Dda University Health Board

Our Ref: JP/MR/SB

6 December 2024

Dear Phil

Hywel Dda University Health Board - JET Meeting 29 November 2024

Thank you for attending the recent JET meeting with your executive team to discuss your organisation's mid-year position for 2024-25. I am also grateful for the information you provided in advance of the meeting to aid the discussion as this forms part of the record.

The actions from the previous JET meeting were noted as being complete.

Mid-year reflections and forward look

You started the meeting by reflecting on the last six months, in particular the service changes announced in September which have now all been implemented. The Board had met on the 28 November and considered the impacts of these temporary changes, the outcomes of the clinical services strategy consultation period and the approach to develop the appropriate model of care for Mid and West Wales. Further discussions will take place at the January Board in relation to the engagement and consultation approach associated with the next stage of the clinical strategy. The clinical strategy will focus on a primary and community care model, supported by the use of digital AI where appropriate with agreed actions to address service fragilities.

The temporary changes at Prince Philip Hospital appear to be effective and staff are content with the revised model and there have been improvements in performance. You are carefully reviewing the impact on patients and have had no real concerns raised yet. There will be a further recruitment round in January for the required clinical team to support Bronglais, if successful you will be in a position to reconsider options at this site. It was noted that the temporary changes at Tregaron, had caused some concern amongst staff as their roles had changed and that this was being resolved.

The main challenges facing the Board are in relation to financial balance, urgent and emergency care, cancer and the fragility of services. On finance, you confirmed that the Board is confident of achieving the £64 million deficit at the end of the year, but are aware

that is a considerable distance from the target control total. You will focus on ensuring further improvements and recurrent savings. You highlighted that in-year savings are currently at £30 million, supported by the reduction in workforce costs due to nurse stabilisation programme, but concerns remain associated with the medical workforce, cost of drugs and configuration challenges.

Progress against Ministerial expectations

The IPC performance has been challenging this year, but you confirmed that progress was being made on both c-difficile and e-coli, with ongoing work to make this sustainable.

We noted a positive position with regard to 52-week outpatients and 104-week total waits. However, cancer remains a major concern, performance in September at 40% is not acceptable. You confirmed that the performance challenges are related to radiology reporting and dermatology. Both issues have now been resolved and expect performance to be around 45% in October and remain confident of achieving 60% for the last quarter. You reflected upon the decision to change the contractual arrangements for radiology reporting and recognise that this decision should have triggered a full quality impact assessment. **You agreed to share a copy of the revised trajectory for cancer.** Cancer may need to be part of the wider regional discussion going forward around demand and capacity for a range of services.

There are over 5,000 eight-week breaches on the diagnostic pathway, you confirmed that there are plans in place for endoscopy and cardiology, but there remains a risk in radiology. You confirmed the additional neurodevelopmental investment, and you will be carrying out an additional 190 assessments this year. Urgent and emergency care remains an area of concern, particularly at Glangwili Hospital. You highlighted the improvements at Wythybush and expect that these will be translated to Glangwili.

The health board is working on the requirements aligned to the Women's Health Plan, and you **agreed to update on the progress made and future plans outside of the meeting.** On wider population health, there has been progress on smoking, but vaccinations remain an issue with an action plan in place to improve the uptake of flu and COVID.

Strategic approach

You gave an update on the Quality Management System, highlighting the performance and safety dashboards and the Quality Engagement Act paper that was presented to the Board in September covering Duty of Candour and Duty of Quality. The Board is leading the approach taken to equality, diversity and inclusion and each Board member has at least one EDI objective.

The development of the clinical strategy involves three parts. Firstly, understanding the primary and community aspect, secondly, to undertake a strategic refresh considering the key components of a long-term strategy, and finally, progress the business case through the relevant routes.

On workforce, it was pleasing to see the success of the international nurse recruitment and the 'Grow your Own' scheme, where you had developed the nurse apprenticeship programme and doubled the number of HCAs who wanted to become nurses. Nursing recruitment has been centralised. This has resulted in the reduction of agency spend and is

now being used in relation to the medical workforce, recognising the different and significant challenges in this area.

The impact of having a full complement of substantive staff in place had resulted in a reduction in patient falls and infection control. To support equality and diversity, there is a Black, Asian and Ethnic Minority Group, who oversee the implementation of the Race Equality Plan.

Patient voice is important to you and there are a number of mechanisms to support this in place, including engagement linked to service changes, regular meetings with Llais and the patient experience report presented to the Board. Your Duty of Candour and Quality annual report is regularly reported through the Quality and Safety Experience Committee.

Following the November Board meeting, it has been agreed that digital partner for the organisation would be CGI, subject to Welsh Government approval. CGI will be a strategic partner to help with delivery and provide some potential opportunities linked to digital improvements, which may support an additional £7.5 million of activity.

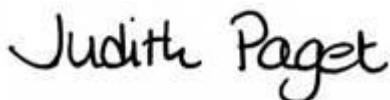
You reflected on the joint Board meeting between Hywel Dda and Swansea Bay in October in preparation for the first Joint Committee meeting in January. It was felt that both Chairs were aligned on regional working and expected progress to be made at pace.

In summary, there has been some progress, with further work to do in some areas. Cancer performance is not acceptable, and we must see sustained improvements. Urgent and emergency care remains under pressure and the plans you have in place need to show results. The work on children's neurodevelopmental services needs to continue. Whilst there is a slightly improved financial outlook, it is essential that the health board needs to progress and reduce the financial deficit. You will be aware that following this JET meeting that there has been further correspondence related to financial allocations and control targets.

There were three actions for the health board to share:

- The measures and impact assessment undertaken in respect of the Women's Health Plan, and the progress and action agreed
- The patient experience report that goes to the Board
- To share the cancer trajectory and recovery plan

Yours sincerely



Judith Paget CBE

Attendee List

Welsh Government	Hywel Dda UHB
Judith Paget	Phil Kloer
Nick Wood	Huw Thomas
Olivia Shorrocks	James Severs
Alex Slade	Jill Patterson
Gareth Cross	Eiry Edmunds
Samia Edmonds	Joanne Wilson
Stephanie House	Katie Lewis
Hywel Jones	Lee Davies
Helen Arthur	Lisa Gostling
Heather Payne	Andrew Carruthers
Martyn Rees	Ardiana Gjini
	Alwena Hughes-Moakes
	Cathie Steele
	Bruce Bolum
Apologies	
Sue Tranka	Sharon Daniel
Pushpinder Mangat	Mark Henwood
Mike Emery	
Jeremy Griffith	
Sioned Rees	
Tracey Breheny	

**Cyfarwyddwr Cyffredinol Grŵp Iechyd, Gofal Cymdeithasol a'r
Blynyddoedd Cynnar / Prif Weithredwr GIG Cymru**

**Director General Health, Social Care & Early Years Group / NHS
Wales Chief Executive**



**Llywodraeth Cymru
Welsh Government**

Chief Executives – NHS Local Health Boards
Chief Executives – NHS Special Health Authorities
Chief Executives – NHS Trusts
Managing Director – NWSSP

Our Ref: JP/JB/SB

20 December 2024

Dear Colleagues

2025-26 HEALTH BOARD ALLOCATIONS

Please find attached the Cabinet Secretary for Health & Social Care's letter to NHS Chairs formally issuing the 2025-26 Revenue Allocations. This allocation letter specifies the initial funding settlement for health boards in 2025-26. It should be considered in conjunction with and used to develop plans to deliver against the priorities set out in the NHS Wales Planning Framework 2025-28.

In confirming the initial revenue allocations for 2025-26 I want to draw your attention to some key issues for clarity on the expectation and approach for next financial year which compliments the letter from the Cabinet Secretary to the Chairs, and the technical detail of the allocation letter that has been issued.

In doing so, I want to emphasise the importance of organisations taking the actions required to support financial improvement and delivering to the agreed parameters set by the Cabinet Secretary. You will be aware of the approach set out in 2024-25, alongside additional allocations issued during the year and resetting Target Control Totals. Whilst the additional funding received by the Health & Social Care budget is of course welcome, this will largely support the assessed cost of inescapable demand growth and unavoidable inflationary pressure. It is essential that organisations continue to deliver actions to mitigate expenditure growth, deliver savings and efficiency, alongside an increase in productivity. This context has informed the approach to the allocations set for NHS bodies.

Allocation uplifts

Welsh Government will again retain funding for NHS pay awards in 2025-26 centrally pending recommendations from pay review bodies and any decisions on pay uplifts.

On wider allocation uplifts, Welsh Government has assessed where the impact of inescapable demand growth and inflationary pressure is greatest. This has informed the 1.77% uplift to health boards, (and DHCW), and the 0.5% uplift to PHW, HEIW, and NWSSP.

As set out in the allocation letter you will note it is assumed that the 1.77% uplift is passed through unequivocally for healthcare agreements between commissioners and providers. Health boards will not be able to assume this uplift in final plans due to be submitted on 31st March 2025, unless I receive confirmation in writing by 28th February 2025 that agreements are in place with other health bodies within NHS Wales. I would strongly emphasise the importance attributed to this being an indication of the effectiveness and strength with which organisations are working across boundaries with other health bodies.

Policy Funding

In addition to the baseline uplift outlined, funding aligned to policy commitments are set out in detail in the allocation letter. It continues to be our intention to provide certainty and clarity on allocations, and any areas of clarification should be raised at the earliest opportunity.

I wanted to draw your attention to three issues, namely:

- **Hospices** - £3m has been retained to support the hospice sector in recognition of the challenges that we have discussed and would recognise. It is crucial that additional funding is provided within a clear commissioning framework that is implemented by the system. This has been retained in anticipation of the new Hospice commissioning framework being developed for 2025-26 which is being led by the NJCC.
- **Waiting Times** - You will be aware of additional funding issued within this financial year to support eradicating the waiting list backlog, whilst action is ongoing to transform pathways and support sustainable planned care services. It is vital that organisations undertake robust demand capacity assessments and set out plans to maintain the 104-week target as a minimum having addressed and delivered the key priority enablers set out in the planning framework which will improve productivity and efficiency. Consideration will be given to how existing funding is utilised, future recommendations from the Ministerial Advisory Group, and organisations plans as to what further targeted high impact actions will be required to deliver further progress in 2025/26.
- **CHC** – we have considered at length at the Value & Sustainability Board the actions required to improve standardisation across the system on the intelligence and addressing variation in quality and efficiency associated with packages of care. There is an expectation that progress is made on this agenda to include a consistent system and baseline intelligence across organisations to support improvement.

Capital

The Health & Social Care budget has received £175m of additional capital through the draft budget, of which £115m is routine capital, and £60m IFRS 16.

Through the allocation letter and other correspondence, you will receive clarity of an approach that sets out in combination:

- An increase to health bodies discretionary capital allocation
- A Targeted Estates Fund, which has been developed to sit alongside Health bodies discretionary allocation to support investment in key targeted areas such as infrastructure risks, fire safety, and infection prevention control.
- Funding to support equipment and diagnostic replacement
- Digital infrastructure and cyber investment
- A targeted investment fund to support capital enabling productivity schemes that can support delivery of the productivity agenda and expectation set out.

In addition, greater work is required having received baseline recognition of IFRS16 on ensuring that robust plans are in place that maximise the utilisation of IFRS16 as a vehicle to support our delivery agenda.

There is significant opportunity to realise a significant investment in our estate to support all the areas outlined above, and I would encourage you to ensure your organisation is on the front foot with robust plans and responsive to the support and governance mechanisms that are in place.

Savings, Productivity & Efficiency

The savings delivery over the last two financial years, and efforts being made across the system in this regard, supported by the Value & Sustainability agenda is notable, with forecast savings delivery in 2024-25 of £267m. These efforts need to be maintained going into next year, and further savings delivered to ensure we achieve sustainable financial positions.

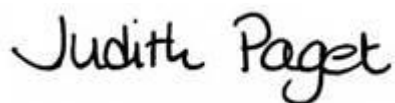
I am aware that a minimum savings delivery of more than 2% (and greater for some health boards who will need to recover their positions having not delivered on target control totals in 2024-25), will present challenges. Delivering a material level of saving will support moving towards a more sustainable financial position, and you will note the step change in expectation of delivery in addressing unwarranted variation, and improvements in those areas that can increase productivity, value, and outcome with no additional cost. As a package, the combination of additional revenue funding, actions to control workforce expenditure growth, delivering savings, and increasing productivity, with enabling capital investment provides a strong platform for organisations to meet the expectations that have been set.

Summary

In summary, I expect you to ensure that your organisation operates within the funding set out in this allocation letter, and any further notification of funding as detailed in the Cabinet Secretary's letter. I would urge you to consider the additional context set out above and consider the recognition from the Cabinet Secretary of difficult choices, de-prioritisation, and flexibility being required to deliver on this agenda, as you set out your plans.

I will be holding you to account for the development and delivery of an agreed plan including firm delivery commitments, to reflect your statutory requirements and responsibilities.

Yours sincerely

A handwritten signature in black ink that reads "Judith Paget". The signature is written in a cursive, flowing style.

Judith Paget CBE



Ein cyf/Our ref: MA/JMHSC/11086/24

Health Board Chairs

20 December 2024

Dear Chairs,

I am writing to inform you of the 2025-26 allocation for health boards. This allocation letter sets out the detail of the funding for your organisation for 2025-26. It should be used to develop plans within available resources and that deliver the priorities I have set out in my letter on the NHS Wales Planning Framework 2025-28.

You will be aware of the recent Welsh Government draft budget announcement confirming a planned increase the Health & Social Care budget of £435m revenue and £175m capital funding. This is welcomed and provides a platform on which I expect to see continued progress in delivery for the financial year ahead. Whilst this additional funding is essential to meet inescapable demand growth, unavoidable inflationary pressure, and deliver progress on our capital requirements, there remains an absolute requirement to deliver actions that contain costs, deliver ongoing stretching savings expectations, improve productivity, and address unwarranted variation. The financial pressures across Health and Social Care remain challenging, but we have worked to ensure a good settlement for the NHS and deliver a framework that enables progress on our collective ambition to deliver continuous improvement.

In 2024-25, we set a clear path and improvement expectation for health boards and issued reset Target Control Totals. Some health boards are forecasting to deliver the plans that they themselves have committed to, and others are forecasting deteriorating from this position - this is unacceptable. It is imperative that each health board delivers financial improvement, meets the expectations that are set, and delivers on their commitments.

Judith Paget will be writing to Chief Executives setting more context on the expectations and process for organisations, but in issuing this allocation to you I want to personally ensure certain key messages are clear:

- The new funding provided supports inescapable demand growth and unavoidable inflationary pressure. This, in addition to savings in this financial year and actions being taken to deliver target control totals on a recurrent basis, and new savings required in 2025-26, provides a basis for organisations to deliver a sustainable financial position against the expectation that has been set.

Bae Caerdydd • Cardiff Bay
Caerdydd • Cardiff
CF99 1SN

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:
0300 0604400

Gohebiaeth.Jeremy.Miles@llyw.cymru
Correspondence.Jeremy.Miles@gov.wales

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

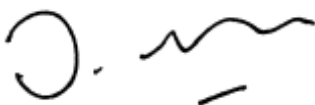
We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

- As set out in the planning framework and correspondence, I am expecting a significant step-up in the achievement of key priority delivery expectations and enabling actions. These are actions that will deliver productivity improvements, improving outcomes for our population and improving how our resources are utilised. There should be less tolerance of inefficiency and unwarranted variation, and I am expecting greater progress by health boards on this agenda.
- I am expecting savings in non-core areas and overheads to prioritise front-line services. In addition to delivering effective savings plans I expect actions to control overall workforce expenditure consistent always with our commitments to fair pay, and to contain costs through being more efficient and productive as organisations.
- You will need to ensure that actions to deliver financial improvement in 2024-25 are maintained, and you will require as a minimum savings delivery in 2025-26 of at least 2% of total baseline expenditure, and consistent with what has been achieved in the current financial year.
- I am concerned by some of the challenges that some health boards have faced in reaching agreement with each other on commissioning and providing services across organisational boundaries, and at the slow progress on regional working. This strikes to the heart of demonstrating how organisations can work effectively on a collaborative regional and national basis. I expect organisations to be proactive in reaching local agreements on relevant areas through the frameworks that have been set. Where these are not delivered, this will be regarded as a failure to develop a clear plan for the year ahead.
- You must ensure that your organisations continue to have the highest levels of strong and effective financial management arrangements, that support cost control, in support of financial delivery in 2025-26.
- Finally, in setting clear delivery expectations I recognise that there will be difficult choices, requirements to deprioritise, and there may be areas where greater flexibility may be required to support delivery of the expectations that have been set. As you develop your plans, I think it would be helpful to have an open dialogue with you as you consider the options and choices open to you.

I am keen to support health boards to deliver on our key priorities. I am also expecting you to ensure that your organisation operates within the funding set out in this allocation letter, and any further notification of funding as referred to above on an in-year basis. And as you would expect, I will be holding you to account for the development and delivery of an agreed plan for 2025-26 and beyond that to reflect your statutory requirements and responsibilities.

I will be kept apprised of progress on the above by my officials and I look forward to having ongoing discussions with you during the year ahead through our regular meetings.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'J. Miles', with a stylized flourish at the end.

Jeremy Miles AS/MS

Ysgrifennydd y Cabinet dros Iechyd a Gofal Cymdeithasol
Cabinet Secretary for Health and Social Care