



**CYFARFOD BWRDD PRIFYSGOL IECHYD  
UNIVERSITY HEALTH BOARD MEETING**

<b>DYDDIAD Y CYFARFOD: DATE OF MEETING:</b>	31 July 2025
<b>TEITL YR ADRODDIAD: TITLE OF REPORT:</b>	Annual Plan 2025/26
<b>CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:</b>	Lee Davies, Executive Director of Strategy and Planning
<b>SWYDDOG ADRODD: REPORTING OFFICER:</b>	Shaun Ayres, Director of Delivery Daniel Warm, Head of Planning

<b>Pwrpas yr Adroddiad (dewiswch fel yn addas) Purpose of the Report (select as appropriate)</b>
Ar Gyfer Penderfyniad/For Decision

**ADRODDIAD SCAA  
SBAR REPORT**

**Sefyllfa / Situation**

The Health Board has developed an Annual Plan for 2025/26, setting out the key delivery expectations for the organisation in response to Targeted Intervention and the broader challenges facing health services in West Wales.

This report serves to update the Board on the 2025/26 plan, with particular reference to further expectations from Welsh Government following the submission of the Plan in March 2025.

**Cefndir / Background**

Health Boards in Wales are required to produce a Board approved Integrated Medium-Term Plan (IMTP) and submit to Welsh Government for approval. It is a statutory requirement that the IMTP must be financially balanced over the three-year period. However, HDdUHB has been unable to produce a financially balanced plan and consequently did not have an approved IMTP, in breach of the statutory requirements. This is a very serious and unacceptable position for the Board and contributed to the escalation status of the Health Board being raised to Targeted Intervention for the entire organisation on the Welsh Government Joint Escalation and Intervention Arrangements.

As previously noted to Board in May 2025, Welsh Government wrote to the Health Board noting that, whilst the Health Board has submitted a Plan that meets the Target Control Total (TCT), the Board's plan projects a deterioration in 2025/26 from its 2024/25 outturn position of a £24m deficit. In response, a comprehensive submission was made on 30 April 2025, which re-affirms the Health Board's ambitions whilst recognising the considerable challenges ahead.

Further, on 6 June 2025, the Health Board received formal notification regarding its 2025/26 Annual Plan (Appendix 1), which required additional recovery actions to be submitted by 30 June 2025. Whilst the plan was developed and approved in accordance with the financial parameters and control total guidance available at the time of submission, subsequent review has identified the need for further measures to improve the financial position. The Board is required to identify additional actions to reduce the planned deficit of £31.5m, review the planned investments of £11.7m and demonstrate an accelerated trajectory toward financial

balance. This has created a material risk to both performance delivery and financial sustainability that requires the issue to be brought to the attention of Board. The Health Board's response is provided as Appendix 2. A further letter was received on 14 July (Appendix 3) following a meeting with the Cabinet Secretary and the Health Board responded on 15 July (Appendix 4). The Executive Team, alongside their senior leadership, have been developing comprehensive recovery actions that will attempt to address the financial requirements and highlight any impact before said actions are undertaken.

## Asesiad / Assessment

### **1. PERFORMANCE POSITION**

The May 2025 performance data presents a complex picture, which requires careful board consideration. Whilst the Health Board has demonstrated its capability to achieve substantial improvements in targeted areas, the overall performance profile reveals that significant challenges persist across a number of key metrics, with several indicators showing concerning trends which require immediate attention.

Of the twenty-three key performance measures that form the foundation of our de-escalation criteria, six indicators are currently meeting or exceeding their targets. This represents genuine progress in critical areas that directly impact patient care and demonstrates the organisation's ability to deliver improvements when focused interventions are implemented. However, seventeen indicators remain below target performance, with several showing minimal progress or active deterioration, despite sustained improvement efforts.

The performance analysis reveals three distinct categories within our current position. First, areas where we have achieved genuine success and are now sustaining target performance. Second, areas where we are making measurable progress towards targets but have not yet achieved the sustained compliance required for de-escalation. Third, areas where performance remains substantially below target with limited evidence of the trajectory improvements necessary to meet de-escalation criteria within reasonable timescales.

#### **Areas of Achievement and Sustained Performance**

The Single Cancer Pathway represents the most significant performance improvement, with May 2025 performance of 66.1% exceeding the 60% de-escalation target for the fourth month in a row. This achievement is particularly noteworthy, given the challenging baseline and the complex operational requirements of cancer pathway management. The improvement trajectory from 53% in January through 63.5% in February, 65.4% in March, 62.4% in April, to 66.1% in May demonstrates both the effectiveness of our pathway interventions and the potential volatility that requires continued vigilance.

Outpatient performance has improved steadily over the past 12 months and remains in line with national targets, with the 52-week outpatient performance at 99.9%, representing a significant and sustained improvement from the 95% baseline. Similarly, the 104-week referral to treatment performance remains high at 99.8%, albeit a deterioration since March 2025. These achievements reflect better operational planning which has successfully balanced the competing demands of reducing long waits whilst managing overall capacity constraints.

Mental health services for children and young people also continue to meet the majority of the national access metrics. Assessment performance consistently exceeds the 80% target, therapeutic intervention delivery surpasses the 70% requirement, and care planning compliance maintains levels well above the 85% threshold.

## **Areas of Progress with Remaining Challenges**

Several performance areas demonstrate measurable improvement trajectories whilst remaining below target levels. Endoscopy services have achieved substantial improvement to 82.4% compliance with the 8-week target, from a position of 34% at the same point last year. However, performance has slipped just below the 85% de-escalation criteria for the first time since January 2025. Given the critical role of endoscopy in cancer pathways and gastrointestinal services, achieving target performance in this area remains essential for sustaining improvements in other domains.

The 26-week referral to treatment performance at 62.8% shows minimal improvement from the 60% baseline and remains below the 75% target. Similarly, 36-week performance at 74% demonstrates progress from the 71% baseline, whilst falling short of the 80% target. These intermediate waiting time measures reflect the challenge of improving access across the entire patient pathway rather than focusing solely on the longest waits.

Access to therapy services within 14 weeks, at 78% compliance, is marginally above the 76% baseline but remains significantly below the 90% target. This gap is particularly significant, given the role of therapy services in supporting rehabilitation, chronic disease management, and preventing acute admissions. The current performance indicates that, whilst some capacity improvements have been achieved, fundamental capacity constraints continue to limit access to these essential services.

## **Areas of Concern**

Urgent and emergency care performance continues to demonstrate systematic pressures that present direct risks to patient safety and operational sustainability. The median time to clinical assessment was 78 minutes in June, significantly above the 60-minute target. Ambulance handover performance is unchanged and demonstrates the severity of the system pressures, with 1,009 handovers exceeding one hour against a TI de-escalation requirement of 680. This situation directly impacts ambulance availability for community emergency response and creates significant operational risks during periods of high demand. Pathways of care delays have reached 230 against a target of 174, with performance consistently above target throughout the reporting period.

The above metrics indicate fundamental flow problems throughout the emergency care pathway that extend beyond emergency department capacity to encompass bed availability, discharge processes and community service integration.

Radiology performance continues to reflect the known capacity constraints across multiple modalities that fundamentally limit our ability to deliver timely care. Non-cardiac MRI performance is at 54.5% against the 8-week target, which is an improvement since January 2025 but minimal improvement from the 50% baseline despite sustained focus and investment. Non-obstetric ultrasound performance has improved but remains at 78.8%, below the de-escalation criteria of 85%. Additional capacity for radiology services is one of the aforementioned investments within the annual plan.

Follow-up appointment delays has deteriorated with 17,203 patients waiting beyond clinical target against the de-escalation criterion of 11,368. This also represents a deterioration from the baseline of 16,682, indicating that whilst new patient access has improved substantially, our capacity to manage ongoing care continues to be challenged, despite the significant work to change the model for follow-ups.

Ophthalmology R1 performance at 35% demonstrates minimal improvement from the 34% baseline and remains substantially below the 65% TI de-escalation criteria. This represents a fundamental service delivery challenge in a high-volume specialty with direct impact on patient quality of life and visual outcomes. The limited progress, despite focused attention, indicates that current service models may require fundamental review rather than incremental improvements. Again, this is one of the areas in which the Health Board made financial provision for additional capacity within the plan.

Sustained improvement in healthcare acquired infections continues to be a challenge. The main issue is C.difficile infections, with 10 cases in June against a target of 6 cases, and a concerning upward trajectory, having been broadly delivering this expectation through the second half of 2024/25. S.aureus bacteraemia is stable but at 3 cases is above the target of 2 cases per month, whilst E.coli bacteraemia is also up, at 7 cases, having previously been at the de-escalation criterion of 5 cases per month.

### **Theatres**

The operating theatres at Glangwili General Hospital face key challenges related to staffing deficits that limit operational capacity. Funded for 53 elective sessions per week (alongside emergency, obstetric, and trauma sessions), the department can currently support only around 42 sessions, due to a shortfall of approximately 10 whole-time equivalent (WTE) posts. This is influenced by vacancies in essential roles, including anaesthetists, scrub practitioners, and operating department practitioners, as well as recruitment constraints and the need for extended training periods for new staff. Measures such as relocating sessions to other sites and establishing a task force to review workforce, safety, and activity issues have been introduced, but these are restricted by factors like bed availability and policy limitations on additional hours or agency support.

Without resolution, these challenges may affect broader organisational performance by contributing to ongoing session cancellations, delays in treatment pathways, and pressures on resources. This could lead to extended waiting times, increased reliance on variable pay, and difficulties in meeting regulatory and government targets, potentially impacting service efficiency and staff workload across the Health Board.

## **2. IN YEAR FINANCIAL POSITION (as at Month 3)**

The Health Board's in-year financial position at Month 3 is a deficit of £9.1m, compared to a planned deficit of £7.9m. This adverse variance of £1.2m is explained entirely by a shortfall in savings identification; operational budgets across Clinical Care Groups collectively report a favourable variance of £1.2m, reflecting robust financial control at service level. Pay and non-pay expenditure are being managed within agreed allocations, supported by underspends in areas such as commissioned dental contracts and delayed oncology and ophthalmology drug expenditure.

A total of £22.1m in savings has been identified to date, representing 50% of the £44.4m annual target. Of these, £10.7m are recurrent savings, leaving a material in-year gap and a significant underlying shortfall. The savings delivery gap year-to-date is £2.4m, fully accounting for the adverse position. The continued reliance on in-year and non-recurrent savings remains a risk to sustainability.

## **Year-End Forecast and Structural Position**

The Health Board continues to forecast achievement of the planned £31.5m deficit at year-end, consistent with the approved Annual Plan and Target Control Total. This forecast, however, is dependent on the identification and delivery of £17.2m in further mitigating actions, to offset a gross forecast deficit of £48.7m. The forecast assumes full delivery of all currently identified savings, together with a significant run-rate increase, predominately in Planned and Specialist Care, for the remainder of the year.

The underlying deficit has deteriorated to £66.6m, compared to a planned figure of £58.5m, due to the shortfall in recurrent savings. Unless this structural gap is addressed, the Health Board's financial sustainability in the medium term is at risk, and further actions will be required to move away from one-off mitigations towards embedded, sustainable solutions.

## **Workforce and Cost Pressures**

The pay bill remains under considerable pressure, driven by growth in substantive workforce numbers since April 2022 and elevated variable pay expenditure. Year-to-date variable pay spend is £12.4m, reflecting ongoing recruitment challenges and premium workforce costs. While there are encouraging trends in agency reduction, these are yet to be fully reflected in the overall pay position. Ministerial Priorities Annex 2 expectations further come into force in September 2025, with a zero reliance on Healthcare Support Worker agency, currently with Mental Health and Carmarthenshire Community utilising notional quantities. Mental Health also rely on Off-Contract agency, albeit plans to address are progressing. Non-pay cost management remains positive, particularly in drugs and clinical supplies.

## **Welsh Government Requirements and External Scrutiny**

Welsh Government has acknowledged that the plan meets the Target Control Total but is clear that a £31.5m deficit is not a supportable position and expects the Health Board to maintain the 2024/25 outturn of £24m as a minimum, underpinned by a trajectory towards in-year financial balance by 2027/28. The Board is required to set out credible options for further improvement, strengthen assurance on savings delivery, and detail the route map for reducing the underlying deficit.

## **Key Risks and Opportunities**

- The in-year forecast is critically dependent on full identification and delivery of £17.2m of additional savings and mitigations; any delay or non-delivery will result in a direct worsening of the outturn and an increased cash requirement
- Only £10.7m of the savings identified are recurrent, increasing the underlying deficit risk in future years
- A crystallised funding risk of £2.0m exists in relation to National Insurance, following a reduction in central allocations from Welsh Government
- Although discretionary capital headroom remains, any unplanned cost pressures could impact the capital programme, particularly essential backlog maintenance
- The Health Board has demonstrated robust operational grip, as evidenced by year-to-date favourable variances in core expenditure, but urgent acceleration in recurrent savings delivery is required

## Forward Actions

The Executive Team will undertake a full review of all financial options in July 2025, with an immediate focus on closing the in-year savings gap and converting non-recurrent schemes to sustainable recurrent solutions. The Board will be updated following this review, with particular attention to strengthening assurance on delivery, de-risking the plan (forecast), and responding directly to Welsh Government's requirements for financial improvement and sustainability.

### 3. ENABLING ACTIONS

WG has requested that the Health Board begins to track progress against the enabling actions. The aim of the enabling actions are to underpin the delivery priorities in order to successfully achieve the core service and changes we want. These include value projects, digital innovations, workforce developments, financial sustainability and ways of working. These are intended to enable confidence in the commitments within the plans and provide assurance of realistic delivery. The enabling actions cover five thematic areas:

1. **Operational Productivity and Efficiency, UEC** - Improve timely access to care, reducing the length of wait in key areas of the urgent and emergency care stream through addressing variation
2. **Operational Productivity, Planned Care** - Improving timely access to care, reducing unwarranted variation in clinical productivity
3. **Workforce Productivity** - Maximise workforce productivity and efficiency, strengthening value and effective deployment of the workforce
4. **Maximising Value for Money** -Continue to optimise value for money and contribution to overall efficiency through key non-pay areas, optimising both efficiency and effectiveness
5. **Improving Value, Optimising Outcomes, and Minimising Variation** - Support improvements in outcomes, effectiveness, and value, through optimising how resources are utilised, and focus on improving outcomes.

A total of 35 enabling actions are being monitored across the five thematic areas. As at July 2025:

- **22 actions are Green** – these are progressing as planned and are expected to deliver on time.
- **11 actions are Amber** – these are making progress, though some risks remain, particularly relating to timescales, interdependencies, or resource constraints.
- **2 actions are Red** – these actions are experiencing significant challenges, with key milestones at risk or not yet achieved.

#### Observations:

- Amber and Red actions are most commonly within urgent and emergency care, workforce, and digital themes, reflecting ongoing pressures around staffing, system flow, and enabling technology

- The majority of Red and Amber actions cite barriers such as digital integration, workforce availability, or dependencies on external partners and system solutions
- The RAG status primarily reflects progress against agreed milestones. Where actions are not rated Green, further work is underway to address the identified risks and ensure alignment with overall delivery priorities

A detailed breakdown and commentary on each enabling action is included at Appendix 5 for Board reference.

#### 4. PLANNING OBJECTIVES

A key element of the Annual Plan remains our 10 Planning Objectives. In supporting the development of 2025/26 Planning Objectives, a 'Plan on a Page' is being developed for each; these will be presented to the relevant Committees at their next meeting, and an update included in the next update report to Board. Further, the status of each Planning Objective remains a key criterion within the Board Assurance Framework.

#### Argymhelliad / Recommendation

The Board is asked to:

- **RECEIVE** the update on the 2025/26 Annual Plan
- **CONSIDER** the response to Welsh Government's requirements for additional financial actions beyond £31.5m and review of £11.7m investments
- **DISCUSS** the performance position against the de-escalation criteria
- **ENDORSE** the tracking of enabling actions across five themes (e.g., operational productivity, workforce efficiency) and the 'Plan on a Page' for each of the 10 Planning Objectives, with updates to relevant committees

Amcanion: (rhaid cwblhau) Objectives: (must be completed)	
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	N/A
Parthau Ansawdd: Domains of Quality <a href="#">Quality and Engagement Act (sharepoint.com)</a>	7. All apply
Galluogwyr Ansawdd: Enablers of Quality: <a href="#">Quality and Engagement Act (sharepoint.com)</a>	6. All Apply
Amcanion Strategol y BIP: UHB Strategic Objectives:	All Strategic Objectives are applicable
Amcanion Cynllunio Planning Objectives	All Planning Objectives Apply

Amcanion Llesiant BIP: UHB Well-being Objectives: <a href="#">Hyperlink to HDdUHB Well-being Objectives Annual Report 2021-2022</a>	9. All HDdUHB Well-being Objectives apply

<b>Gwybodaeth Ychwanegol: Further Information:</b>	
Ar sail tystiolaeth: Evidence Base:	Contained within the SBAR
Rhestr Termiau: Glossary of Terms:	Not applicable
Partion / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	Annual Plan 2025/26 submission – March 2025 Board

<b>Effaith: (rhaid cwblhau) Impact: (must be completed)</b>	
<b>Ariannol / Gwerth am Arian: Financial / Service:</b>	Contained within the SBAR
<b>Ansawdd / Gofal Claf: Quality / Patient Care:</b>	Contained within the SBAR
<b>Gweithlu: Workforce:</b>	Contained within the SBAR
<b>Risg: Risk:</b>	Contained within the SBAR
<b>Cyfreithiol: Legal:</b>	Contained within the SBAR
<b>Enw Da: Reputational:</b>	Contained within the SBAR
<b>Gyfrinachedd: Privacy:</b>	Contained within the SBAR
<b>Cydraddoldeb: Equality:</b>	Contained within the SBAR

**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**

Dr Philip Kloer  
Chief Executive  
Hywel Dda University Health Board

Our Ref: JP/HJ/SB

6 June 2025

Dear Phil

### **2025/26 Annual Plan & Financial Position – Next Steps**

Thank you for your response letter of 30<sup>th</sup> April with regard the health board's 2025/26 annual plan. This letter confirms receipt of that supplementary information provided on your plan, and to set out next steps.

Whilst your submission provided some assurance about the processes in place across your organisation and the conversations being explored, it ultimately failed to deliver a material improvement to your plan and its financial position. We have also discussed this at your subsequent JET meeting of 1<sup>st</sup> May. Your plan remains unsupportable and unacceptable, and further actions are essential to deliver the level of improvement that is expected.

For clarity, ten NHS bodies have submitted balanced financial plans for 2025/26, with four health boards unable to meet that requirement and forecasting substantial deficits which cannot be supported. It is imperative that further actions are taken by those four health boards to deliver financial improvement. This is an essential requirement, alongside delivery of other ministerial priorities such as implementing the priority enabling actions of the NHS Wales Planning Framework.

It is anticipated that a decision letter will soon be issued by the Cabinet Secretary to your Chair confirming that the health board has breached its statutory financial and planning duties, which draws the planning process to a close in order to focus on delivery and improvement, and it is anticipated the immediate next steps set out below become a priority for the organisations focus and response.

In terms of next steps:

- You are required to set out by return to me by **30<sup>th</sup> June** the detailed actions that the health board can and will take to reduce the current financial forecast from £31.5m to an improved position.

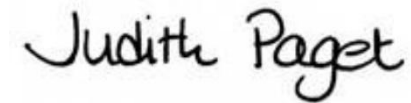
- These must be meaningful and deliverable actions that will reduce the current forecast with clear delivery profiles and milestones in 2025/26.
- As we have discussed, a clear requirement was set for 2025/26 by the Cabinet Secretary in allocating additional funding in 2024/25, that the health board would submit a plan with an improvement trajectory towards in-year financial balance over the next three years. Your current plan to deliver the target control total set in 2024/25 of £31.5m does not meet this requirement. For clarity, I am expecting you submit detailed actions to deliver a forecast position that maintains your outturn position of 2024/25 as a minimum as a stepping stone to that expected improvement trajectory set out.
- We will be arranging for the four health board Chief Executives and Chairs to meet with the Cabinet Secretary and myself over coming weeks to discuss this requirement and expectation further.
- Whilst this process is undertaken, and improvement actions identified, there will be a pause on approving any capital developments that would result in additional capital allocations to the health board, unless there are schemes with immediate urgent, safety, or contractual issues that necessitate an urgent decision. Regular interaction with lead officials will be expected to ensure any key immediate issues by exception can be considered as required.
- As part of these recovery actions for the Hywel Dda position specifically, it is anticipated that:
  - The health board is taking actions to significantly reduce its planned investments set out for 2025/26 of £11.7m. We have discussed the health board is a significant outlier in this regard and planning investments the board cannot resource, for benefits that are unclear.
  - You provide assurance that the actions are in place to deliver your existing planned savings assumptions in full.
  - There are tangible and specific additional actions set out that can be delivered by the health board to reduce the current forecast deficit, with clear consideration of managing any associated impacts of these actions.
  - Rapid progress is made on mitigating your current risks and reducing the expenditure run rate, given your challenging month 1 position. I am expecting rapid actions early in the financial year to reduce risk and provide clarity and confidence in delivery.

If you would value a discussion on this requirement in more detail and the actions that will be implemented, or have any clarification issues, please contact Samia Edmonds and Hywel Jones directly in the first instance who will be happy to support.

As above, it is anticipated that a decision letter will soon be issued by the Cabinet Secretary to your Chair confirming that the health board has breached its statutory financial and planning duties. This, alongside the response to this requirement, will be an important factor when next considering the health board's escalation status.

Following receipt of your further recovery actions on 30<sup>th</sup> June, provided this submission meets the requirements set out above, the focus on forecast delivery will continue via your scheduled IQPD, JET, and escalation meetings, as well as via routine monitoring mechanisms.

Yours sincerely

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

**Judith Paget CBE**

cc: Hywel Jones, Director of Finance HSCEY Group / NHS Wales  
Samia Edmonds, Planning Director, HSCEY Group



Bwrdd Iechyd Prifysgol  
Hywel Dda  
University Health Board

Ein cyf/Our ref: CEO.17530

Gofynnwch am/Please ask for: Kelly Sursona

Rhif Ffôn /Telephone: 01267 239569

Dyddiad/Date: 30<sup>th</sup> June 2025

Swyddfeydd Corfforaethol, Adeilad Ystwyth  
Hafan Derwen, Parc Dewi Sant, Heol Ffynnon Job  
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Mrs Judith Paget  
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By e-mail to: [Judith.Paget001@gov.wales](mailto:Judith.Paget001@gov.wales)

Dear Judith,

Thank you for your further letter dated 6<sup>th</sup> June regarding our Annual Plan, specifically the financial position of the Health Board. As I noted in my letter of 30<sup>th</sup> April, we take our financial responsibilities very seriously and are committed to taking the necessary actions and decisions to improve our position and work towards a balanced and sustainable position.

Our 2025/26 Annual Plan represented a carefully calibrated balance across finance, workforce, performance, quality, and safety domains, within the context of a challenging financial allocation, achieved through extensive triangulation and stakeholder engagement.

Your letter provides helpful clarity on Welsh Government's expectations and priorities. We understand your assessment that our plan is unsupportable financially, and the requirement is to set out actions that would allow us to go beyond the financial control total (£31.5m) and deliver the 2024/25 outturn (£24.0m). Specifically, you have requested we:

- reduce our planned investments
- provide assurance on the existing planned savings assumptions and
- set out the additional actions that can be taken to reduce the forecast deficit with clarity on associated impacts.

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Swyddfeydd Corfforaethol, Adeilad Ystwyth,  
Hafan Derwen, Parc Dewi Sant, Heol Ffynnon Job,  
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Cadeirydd / Chair **Dr Neil Woodin**  
Prif Weithredwr / Chief Executive  
**Prof Phil Kloer**

Bwrdd Iechyd Prifysgol Hywel Dda yw enw gweithredol Bwrdd Iechyd Lleol Prifysgol Hywel Dda  
Hywel Dda University Health Board is the operational name of Hywel Dda University Local Health Board

Mae Bwrdd Iechyd Prifysgol Hywel Dda yn amgylchedd di-fwg Hywel Dda University Health Board operates a smoke free environment

In this letter I will set out our position and assessment in each of these areas, which I hope will allow us to agree the most appropriate way forward, recognising the challenges facing the delivery of health services in West Wales and our Targeted Intervention escalation status.

## 1. Investments

Both of your letters on our Annual Plan highlight our planned investments for 2025-26 as an area you would wish us to review and reduce. My previous letter provided some detail on these and the Annual Plan sets out the purpose of these and the resulting improvements anticipated.

Whilst we have categorised these as investments, they mainly relate to a range of issues; some of which include an element of choice, and others allow financial provision for highly likely areas of cost which the Health Board has little control over. While at face-value we appear an outlier, we believe this reflects funding which we have had to earmark to address critical issues, and for which we did not have an available budget.

In setting our plan we assessed the range of risks the Health Board is facing, the TI de-escalation criteria and the Ministerial priorities. Given the challenging settlement we set a high threshold for investments, restricting it to very few areas which we deemed unavoidable if we are to adequately meet the needs of our population. As a result we have made no additional provision in the majority of services despite the ministerial priorities and the significant risks present in areas – including urgent and emergency care, primary care, women's health, cleaning standards and mental health.

In addition, where some provision has been made within our Plan, we have sought to limit that to the areas of greatest clinical risk – the radiology investment, for example, is intended to provide for the cancer pathway but an overall demand-capacity imbalance remains meaning our existing plan will still lead to overall growth and more patients waiting over 8 weeks.

Furthermore, as part of the JCC, we have had to cap the financial plan for 2025-26 to limit the impact on Health Board budgets. This has meant the JCC plan contains some significant financial and service risks in areas such as PET scanning, TAVIs and NEPTS.

In summary, in agreeing the Annual Plan, the Board has already made very difficult choices to tolerate high levels of risk in order to operate within the financial control total.

The remaining areas fall into five categories.

- i. **Cancer and risk of sight loss** – the plan allows financial provision to allow us to deliver the national cancer standard and the required improvement (as set out in our TI framework) for the ophthalmology IVT service (which as you know carries a risk of sight loss). From a Health Board perspective it would be

unacceptable to agree a plan that does not meet these fundamental requirements and therefore any improved financial plan would need to maintain these investments, even if it means the redirection of resources from elsewhere.

ii. **Nurse staffing** – there are two areas:

- Band 2/3 risk – you will be aware of the background and the significant financial risk that exists across Wales. Within our financial plan we opted to allow for provision for this, recognising that it was a cost we were highly likely to incur. My understanding is other Health Boards have chosen to treat this as a ‘risk’ and not allowed for it within their financial plan. We will continue to minimise the cost implications of this issue, but we would be happy to discuss with you how this should be treated within the financial plan, recognising the differences across Wales.
- Mental health nursing – this is an area where we are currently reliant on temporary staffing and this investment is purely aimed at providing recurrent funding to allow recruitment of substantive staff. If this were removed from our plan, the costs would likely remain and would mean we could not recruit permanently to leave us with an overreliance on a temporary workforce. We do not believe this would represent best value for the taxpayer.

iii. **Mitigating estates risks** - £0.8m has been allocated to provide for RAAC monitoring, fire wardens and maintenance as part of mitigating our significant estates risks and ensure statutory compliance with existing fire enforcement notices. The only viable alternative to this is a significant increase in capital investment which to date has been unavailable (the fire wardens for example are the agreed plan with the Fire Service and Welsh Government, in lieu of being able to undertake all the required improvement works).

iv. **Prevention, Public Health and Value** – As noted in my previous letter our Plan included substantiating the costs of the successful Heart Failure pathway. Like many VBHC projects it is not always possible in the short-term to extract the costs from the wider system in order to fund the ongoing running of a project, even if it is proven to be effective. In the case of the Heart Failure pathway we can demonstrate its effectiveness and it has played a part in reducing our overall bed requirements, which we have already released as savings. The option however does exist to not substantiate the funding, but this would of course mean the VBHC funding could not be used to support further Value schemes during 2025-26. This approach would therefore bring a short-term benefit and a likely long-term cost.

The plan also made provision for £0.3m to address childhood obesity. There is clearly a great deal of evidence to support the effectiveness of early intervention and the long-term impacts of obesity. Removing this from the plan is nonetheless possible, even if undesirable and likely to increase costs over the longer-term.

v. **Other areas** – There are two further areas within our plan:

- Digital – The Health Board has recognised the need to introduce a patient flow and e-obs solution and these are being rolled-out at speed to support urgent and emergency care improvements ahead of the winter. This has required investment but is expected to underpin savings and improved performance in future years. At this stage, with the project very much advanced, there is limited opportunity to now avoid these costs.
- Litigation costs – our plan recognises the increased costs of litigation, with an additional provision of £0.3m. We believe there is little choice in this matter.

I hope the above provides further clarity on the rationale for these elements being included within our plan and reassures that, whilst we may appear an outlier, we have set a very high threshold for those areas we determine we have a reasonable local choice in our investments.

We are of course an organisation in Targeted Intervention and we would welcome any specific feedback you may have in relation to the plans set out above, particularly on the balance across the performance, quality and finance domains. Irrespective of our assessment above it remains the case that the Health Board needs a route to financial balance and any opportunities you may identify to support this ambition would be greatly appreciated.

## **2. Existing Planned Savings**

We have been actively working over quarter one to de-risk our financial plan to gain greater assurance over our delivery of our planned position of £31.5m. Our Annual Plan was predicated on delivering unprecedented levels of savings and, with the exception of Swansea Bay UHB, higher than any other organisation in Wales. Achieving the Plan requires the delivery of £44m of savings (£19m of which are targeted as recurrent, £25m as non-recurrent); alongside strong cost containment measures.

As an Executive Team we are driving the delivery of this, recognising the critical importance of us maintaining the positive progress we made last year. Of our savings plans, £18m have been identified as green or amber and reasonably secured; a further £11m is identified as red or as ideas, with a gap of £15m in unidentified savings. It is pleasing to note that this is ahead of where we were at the same point last year and at Month 2 Hywel Dda had the highest level of savings across all Health Boards. Nonetheless a gap of £14.7m still remains, reflecting the scale of our challenge for 2025-26. Fully identifying the savings gap is a critical challenge in further de-risking the financial position.

Positively, our run rate position in Month 2 indicates that under-delivery of savings was broadly offset by underspending areas. Maintaining this run rate position will be critical to provide assurance over delivery throughout the year. However, the full delivery of our plan necessitates an increase in activity (and therefore spend) in a number of our underspending areas, e.g. planned care, and therefore maintaining the delivery of savings remains a significant risk for the Health Board until robust plans are fully developed.

At this stage it is my view that we remain on track to deliver our ambitious savings plans but, given the scale of task, this will require the full focus of the Board and Executive Team for the remainder of the year.

There are two material risks which will require management, and which are outwith our ability as a Health Board to absorb within the delivery of our £31.5m position. These include:

1. We understand that there is a gap currently in the funding which Welsh Government received from HM Treasury relating to Employers' National Insurance costs. We estimate that the impact of this, if passed to the Health Board, would be a £2m cost for the organisation. Our previous planning assumption was that this cost would have been covered in full.
2. We also understand that the Welsh Risk Pool is experiencing a significant change in the pressures on the DEL budget with an increase in cases likely to be settled in-year. Should the highlighted risk from the WRP be passed on via the risk sharing agreement, that would represent a further £4m cost for the organisation.

These risks are new, and these costs would represent a significant and material challenge which we could not manage without a consequential deterioration to our forecast position.

If these risks can be adequately managed, then we currently believe that there are choices, actions and options which could support a reduction of our plan position.

### 3. Additional actions that could be taken

Taking account of what I have set out above, it is clear that delivery of the existing Annual Plan sets an ambitious agenda for the Board, particularly when considered alongside performance improvements and transformational programmes such as the Clinical Services Plan. It is also the case that, even with such an ambitious plan, the Health Board (and our population) will be required to continue to tolerate significant risks. That said, there are further choices that can be considered in order to improve the in-year financial position.

The following summarises our assessment of what would be required to reduce our deficit beyond the control total and move towards the £24.0m expectation.

		£'m	£'m
<b>Starting position (excluding the risks of NICs and WRP funding issues)</b>			<b>31.5</b>
Choices	Deferring replenishment of Heart Failure funding	0.6	
	Removal of funding for maintenance growth	0.4	
	Removal of funding for international recruitment	0.2	
	Notional improvement in Band 2/3 issues	0.3	
Actions	Additional savings from agency reduction	1.0	
	Additional savings from medicines management	1.0	
<b>Total impact of choices and actions</b>			<b>(3.5)</b>

		£'m	£'m
<b>Deficit after impact of choices and actions (excluding risks)</b>			<b>28.0</b>
Options to be discussed with WG	Triangulation of diagnostics with recovery funding and WG allocations. We are not in a position to locally reduce this investment, as it would adversely impact on RTT, cancer, diagnostic and UEC performance. We would welcome a discussion on the feasibility of directing planned care recovery funding to address this critical issue.	2.2	
	Revenue consequences of estates challenges (RAAC and fire compliance). Local determination that these would significantly increase the risk of critical estates issues, and/or which may result in enforcement action from the Fire Service or HSE. These costs are being borne as a result of our longstanding estates challenge.	0.8	
	Childhood obesity funding. This is currently redirected to support urgent actions in dietetics to support children with eating disorders. Given the risks to patient safety, we do not believe it is feasible to reduce this funding locally.	0.2	
	Deferral of discretionary expenditure to next year on primary care dental recovery. Local determination that this would adversely impact dental performance.	0.8	
<b>Total impact of options to be discussed with WG</b>		<b>4.0</b>	<b>(4.0)</b>
<b>Deficit after options (excluding risks)</b>			<b>24.0</b>

We intend to take the above through our Public Board on 31<sup>st</sup> July which, subject to Board agreement, would allow us to formally improve our financial forecast.

While we believe at this stage that we have local choices and actions which could reduce our plan from £31.5m to £28m, we do not believe that it would be feasible to reduce further without significant adverse impact on our patients and population. This is for three key reasons:

1. We are now proposing to reduce our investments by £1.5m. The areas we have chosen to address in our plan has been through a rigorous process of local testing. We believe that further reductions would create the risk of harm.
2. We are now proposing to increase our savings plans by £2.0m, relating to further reductions in medicines management and nurse agency. This increases our savings requirement from £44m to £46m. We do not believe that the organisation has the management capacity to handle further increases given our already busy change agenda, for example through the Clinical Services Plan.
3. While there are other choices which could be taken, such as deferral of spending on dental; these come with significant performance risks and would adversely impact our population. While some delay may happen naturally,

planning to delay such expenditure would not pass our quality and equality impact assessments.

In my previous correspondence we committed to derisk our original plan to achieve our £31.5m control total, and this letter sets out the progress we have made on this. My team and I will commit, subject to month 3 outturn, to taking to Board a position which supports the reduction of our plan from £31.5m to £28m; and we will continue to work to reduce our expenditure over quarter two to assess whether a further improvement is possible beyond that. The Board is conscious of the £26m of conditionally recurrent funding provided by WG on the basis that we achieve balance by 2027/28, and further improvements are necessary as part of that improvement trajectory.

I am aware that members of my Executive Team met with your officials last week, and given the tight timescales and implications of some of the above options we would welcome further discussion on the most appropriate way forward.

Yours sincerely,

A handwritten signature in cursive script, appearing to read 'P. Kloer', written in black ink.

Professor Phil Kloer  
Chief Executive Officer  
Hywel Dda University Health Board

Yr Adran Iechyd a Gwasanaethau Cymdeithasol  
Cyfarwyddwr Cyffredinol a Prif Weithredwr, GIG Cymru

Department for Health and Social Services  
Director General and Chief Executive, NHS Wales



Llywodraeth Cymru  
Welsh Government

Phil Kloer  
Chief Executive  
Hywel Dda University Health Board

Our Ref: JP/HJ/SB

14 July 2025

Dear Phil

### **2025/26 Annual Plan & Financial Position**

Thank you for your response letter of 30<sup>th</sup> June with regard the health board's 2025/26 annual plan.

Whilst there are some elements of progress in the submissions received from the four health boards forecasting a significant financial deficit in 2025/26, they do not meet the requirements set out by Welsh Government.

At the meeting of 10<sup>th</sup> July between the Cabinet Secretary for Health & Social Care, and the Chairs and Chief Executives of the four health boards, the Cabinet Secretary made clear his consistent expectation that the four health boards will:

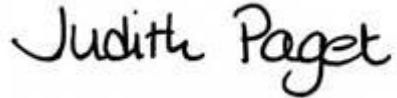
- Set out by this Friday, 18<sup>th</sup> July, the detailed actions being taken to give full confidence in the delivery of the current forecast position.
- Set out by Friday 31<sup>st</sup> July, the detailed operational, service, workforce, actions that could be taken to achieve last year's outturn position and associated impacts.

I would be grateful if you could send your responses on the above dates to me directly.

For clarity, the ask is for immediate confidence in the actions to deliver your current forecast deficit of **£31.5m** by this Friday 18<sup>th</sup> July, and the actions that could be taken to maintain your 2024/25 outturn position of a **£24m** deficit by 31<sup>st</sup> July. I recognise that your submission on 30<sup>th</sup> June set out an expected improvement to your forecast to a £28m deficit, but your formal financial forecast in your month 3 monitoring return remains a £31.5m deficit. I would anticipate this being considered further in response to the above.

I also recognise that elements of your 30<sup>th</sup> June submission will feature in your response, but there is a significant requirement to strengthen and set out the granular actions with confidence that can meet the expectations that have been set.

Yours sincerely

A handwritten signature in black ink that reads "Judith Paget". The script is cursive and fluid, with the first letters of each name being capitalized and prominent.

**Judith Paget CBE**

cc: Neil Wooding, Chair, Hywel Dda University Health Board  
Hywel Jones, Director of Finance HSCEY Group / NHS Wales  
Samia Edmonds, Planning Director, HSCEY Group

Ein cyf/ Our ref: CEO.17800  
Gofynnwch am/ Please ask for: Kelly Sursona  
Rhif Ffôn / Telephone: 01267 235969  
Dyddiad/ Date: 15 July 2025

Swyddfeydd Corfforaethol, Adeilad  
Ystwyth  
Hafan Derwen, Parc Dewi Sant, Heol  
Ffynnon Job  
Caerfyrddin, Sir Gaerfyrddin, SA31 3BB

Corporate Offices, Ystwyth Building  
Hafan Derwen, St Davids Park, Job's  
Well Road, Carmarthen,  
Carmarthenshire, SA31 3BB

Judith Padget CBE  
Director General and Chief Executive, NHS Wales  
Department for Health and Social Services

By email: [Judith.Paget001@gov.wales](mailto:Judith.Paget001@gov.wales)

Dear Judith

## Re: 2025/26 Financial Position

Following the Cabinet Secretary's meeting on the 10 July 2025 with Health Board Chairs and Chief Executives and in your letter of 14 July 2025, you asked that I write to you offering assurance regarding the achievability of our current forecast financial position. At the meeting, I detailed our spending profile over the course of the year, and I have set out below the steps taken by the Health Board, and overseen by the Chair and myself, to ensure we meet this expectation.

I am conscious you have asked for an additional letter, detailing how we might reduce Health Board costs further to meet the Welsh Government expectation of maintaining the 2024/25 outturn of £24m as a minimum. The time scale to respond is the end of this month and work to identify further savings is currently in progress.

Our letter of 30 June 2025 indicated our plan to achieve a Target Control Total of £31.5m could be improved by reducing our planned investment cost by £1.5m and delivering further savings of £2.0m. This would have delivered a revised forecast of £28m. It was our intention to make these changes following a discussion by the Board on 31 July 2025. However, since our Month 3 reporting period, we have received formal notification of additional Employer's National Insurance contributions that have increased an additional material risk of £2.0m for the Health Board.

Consequently, the Executive Director of Finance will report the Month 3 financial position to our Board on 31 July 2025 and recommend a forecast reassessment of £30.0m. Delivering our £30.0m re-forecast requires us to maintain the expenditure run rate we have experienced in Month 2 and 3 for the remainder of the year. While there remains a savings gap to identify, we are currently experiencing in-month underspends to our pay position, which is broadly offsetting the gap in savings identification. There remains an additional risk from increased claims settlement by the Welsh Risk Pool that we are currently monitoring closely.

During this financial year, the organisation has further strengthened its financial controls. This includes:

1. A revised operational management structure, a more robust governance architecture, and enhanced accountability for individual budget holders/managers.
2. Improved oversight, focus and impact through our Integrated Quality, Finance, Performance and Delivery Group, creating consistent alignment across our governance domains and operational teams, and supporting change programmes across the Health Board.
3. Increased scrutiny and forensic analysis through Executive Improving Together Meetings and Escalation Meetings, providing a comprehensive escalation assessment process and driving financial and managerial accountability deeper into the organisation.
4. Strengthening the role of the Financial Control Subgroup. For all functions in escalation, this weekly meeting provides scrutiny and challenge over proposed recruitment into the organisation, including all agency usage into medical or allied health professional roles (assurance in nursing roles is provided via roster controls). The Subgroup also scrutinises all new procurement activities across the organisation.

This year represents a period of significant change for the organisation. We are in the process of consulting with our communities on service change within the Minor Injuries Unit at Prince Philip Hospital, which concludes on 22 July 2025; and our Clinical Services Plan, which covers nine core service areas and closes on 31 August 2025. We have also embarked on a transformation programme across our Urgent and Emergency Care service, learning from experiences from Denmark and other service models. The Board will receive progress updates on these changes on 31 July 2025.

In response to your expectation of making additional cost reductions to meet a target of £24.0m, the Board will consider further recommendations at its next meeting. We anticipate this will focus upon potential reductions in ongoing recruitment including variable and agency pay and delaying or ceasing external commissioned or non-pay costs.

In conclusion, we remain committed to ensuring the organisation achieves financial sustainability as quickly as possible, whilst modernising its delivery processes, improving the quality of its services, and reducing the time patients wait for treatment and support. As a Board, we remain vigilant and focused on the priorities you outlined for us earlier in the year and look forward to receiving your continued support in achieving them.

Yours sincerely



**Dr Phil Kloer**  
**Chief Executive**

## Health Board Progress against the Enabling Actions in the NHS Wales Planning Framework

<b>Health Board:</b>	Hywel Dda University Health Board
<b>Date Submitted:</b>	
<b>Completed by:</b>	

### Instructions:

Each of the thematic areas has its own tab to be filled in. For each of the enabling actions within each area, can you please provide the baseline position as at 1 April 2025, progress as at July 2025, the risks and challenges to delivery and evidence to support your position. A final column is for you to record the RAG rating of each of the actions.

	Thematic area	Objectives
<b>Tab EA1</b>	<b>Operational Productivity and Efficiency - UEC</b>	Improve timely access to care, reducing the length of wait in key areas of the urgent and emergency care stream through addressing variation
<b>Tab EA2</b>	<b>Operational Productivity - Planned Care</b>	Improving timely access to care, reducing unwarranted variation in clinical productivity
<b>Tab EA3</b>	<b>Workforce Productivity</b>	Maximise workforce productivity and efficiency, strengthening value and effective deployment of the workforce
<b>Tab EA4</b>	<b>Maximising Value for Money</b>	Continue to optimise value for money and contribution to overall efficiency through key non-pay areas, optimising both efficiency and effectiveness
<b>Tab EA5</b>	<b>improving Value, Optimising Outcomes, and Minismising Variation</b>	Support improvements in outcomes, effectiveness, and value, through optimising how resources are utilised, and focus on improving outcomes

Enabling Actions	Baseline Position - 1 April 2025	Progress report - July 2025	Challenges/risk to delivery	Evidence	RAG rating																																																																			
<p><b>Improve timely access to care, reducing the length of wait in key areas of the urgent and emergency care stream through addressing variation</b></p> <p>Implementation of the Community Based Falls Response - 6 Goals Programme</p>	<p>Falls Response Service Provision - Currently Monday to Friday. Level 1 and Level 2 community falls response services are currently delivered across the Health Board area through the Clinical Streaming Hubs and the following providers:</p> <ul style="list-style-type: none"> <li>•Carmarthenshire: Delta Weilbeing</li> <li>•Pembrokeshire: St John Ambulance</li> <li>•Ceredigion: Same Day Urgent Care (SDUC)/Outreach</li> </ul> <p>There is currently no falls response services available during weekends.</p>	<p>The Health Board's falls response service is integrated within the Clinical Streaming model (remote clinical assessment).</p> <p>A Single Point of Access through Clinical Streaming Hubs is currently used to optimise the utilisation of existing falls response services. Currently, falls response within the Hywel Dda University Health Board area are delivered by Delta Weilbeing in Carmarthenshire, St John Ambulance in Pembrokeshire, and SDUC/Outreach in Ceredigion.</p> <p>Following a weekend pilot conducted between January and March 2025, a business case is now in development to expand the Clinical Streaming Hubs and associated falls response services into a comprehensive 7-day model.</p>	<p>The expansion of the Clinical Streaming Hubs and the associated falls response services into a comprehensive seven-day model is contingent upon the approval of the business case.</p>	<p><b>CBH Falls Patients in Hywel Dda University Health Board April and May 2025</b></p> <table border="1"> <thead> <tr> <th rowspan="2">SOURCE</th> <th colspan="3">Total number of CBH falls patients in HDUHS</th> <th colspan="5">Outcome</th> </tr> <tr> <th>April</th> <th>May</th> <th>Total</th> <th colspan="2">Home</th> <th colspan="3">Community</th> </tr> </thead> <tbody> <tr> <td>Age Manager</td> <td>150</td> <td>92</td> <td>242</td> <td>96</td> <td>46</td> <td>110</td> <td>20</td> <td>9</td> <td>7</td> </tr> <tr> <td>PHU</td> <td>8</td> <td>2</td> <td>10</td> <td>6</td> <td>2</td> <td>7</td> <td>1</td> <td>0</td> <td>1</td> </tr> <tr> <td>Cost-charge direct</td> <td>6</td> <td>3</td> <td>9</td> <td>3</td> <td>3</td> <td>3</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>From acute hospital environment</td> <td>1</td> <td>1</td> <td>2</td> <td>1</td> <td>1</td> <td>2</td> <td>N/A</td> <td>N/A</td> <td>N/A</td> </tr> <tr> <td>GP/Community</td> <td>7</td> <td>11</td> <td>18</td> <td>9</td> <td>6</td> <td>13</td> <td>2</td> <td>3</td> <td>0</td> </tr> </tbody> </table>	SOURCE	Total number of CBH falls patients in HDUHS			Outcome					April	May	Total	Home		Community			Age Manager	150	92	242	96	46	110	20	9	7	PHU	8	2	10	6	2	7	1	0	1	Cost-charge direct	6	3	9	3	3	3	0	0	0	From acute hospital environment	1	1	2	1	1	2	N/A	N/A	N/A	GP/Community	7	11	18	9	6	13	2	3	0	<p><b>AMBER</b></p>
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<p>Implementation of the remote clinical assessment services framework - 6 Goals Programme</p>	<p>An evaluation paper assessing the weekend working pilot has been completed. This document is currently under review by Clinical Leads involved in the Six Goals Programme. The findings will inform an options appraisal to be presented to the Board, supporting the proposed implementation of a seven-day clinical streaming hub model by October 2025.</p>	<p>The Clinical Streaming model, which facilitates remote clinical assessments, is currently operational five days a week. A business case is being developed to support the expansion of this service into a comprehensive seven-day model.</p> <p>Job descriptions are under review to support the establishment of a dedicated staff bank, which will enable the transition to a seven-day service.</p> <p>A performance dashboard is also in development to allow teams to effectively capture and analyse data related to the Clinical Streaming Hubs.</p>	<p>Resourcing for Weekend Coverage Interim arrangements are being explored to provide weekend cover for the seven-day Clinical Streaming service while the substantive staffing model is being finalised and appointments are made. This may need to be implemented on a phased or ad hoc basis until permanent positions are in place.</p> <p>Dashboard Implementation The performance dashboard cannot be made operational until it receives approval from the Information Governance Team. As a result, the teams are currently limited in their ability to capture comprehensive performance data. This issue has been escalated to the Programme Senior Responsible Owner (SRO) for resolution.</p>	<p>The development of 7-day Clinical Streaming services is part of the Health Boards Accelerated Transformation Programme. It falls under the governance of the Access Workstream and reports progress to the Formal Executive Board on a bi-weekly basis.</p>	<p><b>GREEN</b></p>																																																																			
<p>Implementation of acute frailty model at the Front Door - 6 Goals Programme</p>	<p>A high level acute frailty mapping process was undertaken with recommendations. This required a further in detail mapping process.</p>	<p>A 6 month secondment role has been funded and filled in order to support the acute frailty mapping.</p> <p>Each acute site is currently having their acute frailty pathways mapped which we will envision will take until end of August 2025.</p> <p>The next step will be to produce a findings paper of the mapping to identify gaps and recommendations to put forward for consideration.</p> <p>Frailty mapping for PPH completed, awaiting an updated copy of the CGA they are currently using to be shared.</p> <p>Frailty mapping GCH completed. Criteria for Gadoag (acute frailty ward) currently being reviewed by consultants.</p> <p>NHS benchmarking data collection specification for managing frailty in a bed based setting (2025) started for each acute site, initial data collection needs to be submitted by 11/07/25.</p>	<p>No allocated funding assigned to implement recommendations. The workstream is behind on its milestones due to Operational and project leads time being reduced in Q1. However, this has now been resolved and the workstream lead is planning to accelerate work in this area.</p>	<p>A finding paper will be developed with recommendations will be developed by October 2025</p>	<p><b>RED</b></p>																																																																			
<p>Implementation of the Welsh Health Circular - Ambulance Handover Guidance - 6 Goals Programme</p>		<p>Welsh Health Circular - Ambulance Handover Guidance has been shared across all sites, with an ask to implement. Ambulance Handover Plan completed. This action is supported by the UEC Accelerated Transformation Programme and Six Goals Programme. The following actions have been implemented:</p> <ol style="list-style-type: none"> <li>1)Established an accelerated UEC improvement programme that is looking to urgently redesign and transform the models of delivery we have across the Health Board ahead of this winter. The Chief Operating Officer is the Executive Lead for that Programme and his Deputy COO is the SRO. This programme reports directly to our Executive Team every fortnight so that I can receive assurance on progress.</li> <li>2)Three workstreams have been established to take that work forward focussed on Access, Environment and Flow.</li> <li>3)The Access workstream has been tasked with developing a plan for implementing a model of 7 day clinical streaming hub and 7 day SDEC/SDUC provision across the health board, which will provide an integrated community response to urgent and emergency demand and cover the key priority areas nationally for example falls, respiratory, care home conveyance avoid-ance.</li> <li>4)The proposed plan is due to be discussed and a way forward agreed at Executive Team next Wednesday.</li> <li>4)The environment workstream is focussed on improving patient quality, safety and experience in our front door areas, addressing the concerns raised by numerous external reports nationally and locally that have flagged issues around patient privacy, dignity, hydration, nutrition and cleanliness.</li> <li>5)The Flow workstream has been tasked with ensuring we are consistently implementing the optimal flow framework, as well as proposing a model for a lo-cal Operational Delivery Unit 7 days per week that will manage and navigate flow across the whole health board system. The operational view is that this will but far tighter grip and control into our business as usual flow actions, improve the local daily calls, and support learning for the purpose of improving local site capacity management plans and escalation;</li> <li>6)Within our annual plan, we supported the implementation of a new E-obs and Patient Flow System that will enable the availability of real time flow information, the case for which identified a number of efficiencies including staff time and reduced pathway delays. Implementation is targeted to be complete by the end of December 2025.</li> <li>7)The clinical executive are leading the implementation and oversight of the re-freshed professional standards that have been developed in response to the Health Board GIRFT ED report recommendation.</li> <li>8)The Executive Director of Nursing is reviewing the current Boarding Protocols with a view to adopting the "Your Next Patient" model of continuous flow, following a recent visit to see it in use in Stoke.</li> <li>9)The COO has this week, written to our regional local authority partners re-questing a round table discussion on how the West Wales Regional Partnership can work together to reduce delays across the system. The intention is to develop an MOU that all organisations would sign stating their commitment to the delivery of some key outcomes and supporting actions that can be overseen by the RPB.</li> </ol>	<p>There is a risk to the consistent delivery of timely and high quality urgent and emergency care.</p> <p>This is caused by significant fragility across the urgent and emergency care (UEC) system (acute, primary care (including out of hours), community and social care services), related to workforce compromise and increasing levels of demand and acuity. This could lead to an impact/affect on the quality of care provided to patients, significant clinical deterioration, delays in care and poorer outcomes, increased incidents of a serious nature relating to ambulance handover delays and overcrowding at Emergency Departments (ED) and delayed ambulance response to community emergency calls, increasing pressure of adverse publicity/reduction in stakeholder confidence and increased scrutiny from regulators.</p>	<p>Ambulance Handover Statistics. Although we have seen a slight decline in Ambulance handovers over the last year, this is not going at the pace or degree needed. Over the next year we hope to demonstrate a more significant degree of change through the regular reporting of Ambulance Handover statistics through IQPFD and IQPD</p>	<p><b>AMBER</b></p>																																																																			
<p>Implement the Optimum Hospital Flow Framework - 6 Goals Programme</p>		<p>Optimal Hospital Flow (OHF) Framework Each has a monthly OHF meeting to oversee the implementation plan supported by QIST. This does not include at SNM's. Where the county OHF data is discussed monthly, and actions are assigned to target support which is tracked by an action log.</p> <p>The Red2 Green Dashboard is live and used by staff to identify pre / clinically optimised constraints to drive improvement work.</p> <p>The SharePoint to house optimal hospital flow framework resources to date has 1000+ views and is frequently updated. This allows staff to refer to any useful information and guidance i.e DR2A videos / documentation.</p> <p>Deep dives being established to identify internal health delays. Meeting with service leads to understand and support DPOC delay improvements.</p> <p>D2RA allocation audit has been completed supported by a findings paper with recommendations on how to address the issues identified.</p> <p>Preventing Deconditioning 4 projects are participating in the SCP Preventing Deconditioning Programme with support from 6 Goals to report.</p> <p>Deconditioning materials i.e. posters, leaflets for the wards and patients are now being used on the sites.</p> <p>As stated in the 50-day challenge report, much of the work for the 50-day challenge was initiated prior to the challenge or the funding itself, and this work will be ongoing. The funding was used mainly to expand or to trial specific areas such as 7 day working. There is discussion at regional level to share learning/ good practice from the challenge</p>	<p>Lack of resources / capacity within the health board to support industrial sites / wards to implement the Optimal Hospital Flow Framework. The National team have provided additional resource to support this but recruitment / post timeframe is unclear at this time.</p>	<p>Delayed Pathways of Care, Length of Stay and Number of Discharges before Midday (33% of discharges by midday)</p>	<p><b>AMBER</b></p>																																																																			
<p>Maintaining the actions within the 50 Day challenge that can be delivered consistently with minimal additional resource, within organisations and as a priority within regional partnership arrangements. Ensure consistent delivery of effective integrated discharge planning, utilising the National Discharge Guidance issued by the 6 Goals Programme.</p>	<p>The 50 day challenge funding stopped in March. The funding from that has now been awarded directly to LAs</p>	<p>Deconditioning materials i.e. posters, leaflets for the wards and patients are now being used on the sites.</p> <p>As stated in the 50-day challenge report, much of the work for the 50-day challenge was initiated prior to the challenge or the funding itself, and this work will be ongoing. The funding was used mainly to expand or to trial specific areas such as 7 day working. There is discussion at regional level to share learning/ good practice from the challenge</p>	<p>Not applicable</p>	<p>Not applicable</p>	<p><b>GREEN</b></p>																																																																			

Enabling Actions	Baseline Position - 1 April 2025	Progress report - July 2025	Challenges/risk to delivery	Evidence	RAG rating
Improving timely access to care, reducing unwarranted variation in clinical productivity					
Implement national guidelines with thresholds by Clinical Implementation Network (CIN) and procedure. This includes delivery of effective outpatients through See on Symptom (SOS) and Patient Initiated Follow-up (PIFU) by default. Individual CINs will establish PIFU / SOS targets by specialty & sub-specialty on an ongoing basis by March 2025.	<p>HDdUHB Validation Team identify FU patients that contravene CIN Guidance for clinical review</p> <p>HDdUHB receive weekly FU reports including clinical condition and consultant compliance</p> <p>Over 70k patients have been put on an SOS/PIFU pathway. HDdUHB have 27 specialties &amp; 218 clinical condition pathways</p> <p>Discharge, SOS &amp; PIFU have stemmed FU WL growth. CIN guidelines available for 7 out of 27 specialties. FU proportion lowest in Wales (17% of population). Further improvement will form part of the New Clinical Care Group Transformation work stream with particular focus on application of CIN guidance to historical cohorts.</p>	<p>Over 74k patients have been put on an SOS/PIFU Pathway. Regular meetings which are clinically led are now being held with specialties to drive further use of SOS /PIFU</p> <p>In May 2025 805 new patients were put on an SOS/PIFU (16%) &amp; 1,989 (37%) patients were discharged. 904 (9%) patients who attended a FU appointment were put on an SOS/PIFU and 1623 (16%) patients were discharged. Validation team recording CIN possible discharge SOS/PIFU/Discharge and recently passed to</p>	<p>Protected clinical time to undertake the work.</p> <p>CIN Guidelines for all specialties. Currently only cover 7 areas.</p>	<p>WG submitted monthly signed off Follow Up report with signed off SOS/PIFU volumes.</p>	Green
All new Cataract referrals should be direct listed to treatment stage of the pathway following an admin triage by the end of Q2.	<p>One-stop cataract pathway re-introduced Spring 2024</p> <p>Since Q2 24/25 majority of cataract referrals are converted to Stage 4 retrospectively. (Circa 3000 patients during 2024/25)</p> <p>These patients are identified following an optometry triage</p>	<p>Prospective direct listing to stage 4 will be implemented from Q2 25/26 process has been mapped via the digital team ready for implementation.</p>	<p>Small volume still require OPA assessment due to complexity</p> <p>Limitations of WPAS functionality.</p>	<p>Cataract activity including volumes per list are collected as part of routine data collection purposes.</p>	Amber
Ensure monitoring of DNA/CNA rates is in place for every Outpatient clinic. When DNA/CNA as a combined rate is greater than 5%, overbooking additional patients should be implemented and monitored.	<p>Bespoke monthly reports are circulated to service teams showing DNA rates per clinic &amp; subspecialty</p> <p>This facilitates ability to overbook where applicable</p> <p>24/25 combined DNA rate is 7.13% (23,746 patients)</p> <p>New OPD DNA rate is 7.9% (9,562 patients)</p> <p>Follow up DNA rate is 6.71% (14,184 patients)</p> <p>DNA scrutiny and improvement will form part of the New Clinical Care Group Transformation work stream</p> <p>Text reminders routinely issued</p>	<p>25/26 (April, May and June) combined DNA Rate is 7.08% (5,737). New OPD DNA Rate is 7.87% (2,324)</p> <p>Follow up DNA Rate is 6.63% (3,413)</p> <p>Text reminders have been implemented in Paediatrics as they have a high number of DNAs. (24/25 = 14.32%). 25/26 DNA Rate is currently 12%.</p> <p>DNA rates per clinic are being scrutinised to target high areas to improving overall compliance.</p>	<p>DNA rate can be skewed when attendance is reliant on someone other than the patient (i.e., parent/carer).</p>	<p>Monthly DNA rates are reported on various reports including HDdUHB Power BI reports.</p>	Amber
Implementation of CIN follow up criteria both prospectively and retrospectively to established Follow-up waiting lists.	<p>HDdUHB Validation Team identify FU patients that contravene CIN Guidance for clinical review</p> <p>HDdUHB receive weekly FU reports including clinical condition and consultant compliance</p> <p>Over 70k patients have been put on an SOS/PIFU pathway. HDdUHB have 27 specialties &amp; 218 clinical condition pathways</p> <p>Discharge, SOS &amp; PIFU have stemmed FU WL growth. CIN guidelines available for 7 out of 27 specialties. FU proportion lowest in Wales (17% of population). Further improvement will form part of the New Clinical Care Group Transformation work stream with particular focus on application of CIN guidance to historical cohorts.</p>	<p>Over 74k patients have been put on an SOS/PIFU Pathway. Regular meetings which are clinically led are now being held with specialties to drive further use of SOS /PIFU</p> <p>In May 2025 805 new patients were put on an SOS/PIFU (16%) &amp; 1,989 (37%) patients were discharged. 904 (9%) patients who attended a FU appointment were put on an SOS/PIFU and 1623 (16%) patients were discharged. Validation team recording CIN possible discharge SOS/PIFU/Discharge and recently passed to relevant specialty (Dem).</p>	<p>Protected clinical time to undertake the work.</p> <p>CIN Guidelines for all specialties. Currently only cover 7 areas.</p>	<p>WG submitted monthly signed off Follow Up report with signed off SOS/PIFU volumes.</p>	Green
On 90% of days planned care inpatient/day case/theatre recovery capacity should be protected from unscheduled care pressures and outlying of patients by the end of Q1.	<p>98% compliance / &lt;2% cancelled due to UEC pressures</p> <p>3 protected wards across HDdUHB (6, 7 PPH &amp; Rhiannon BGH)</p> <p>Site specific risk of cancellations at GGH due to theatre staffing challenges (minimal impact on total elective volumes)</p>	<p>No change</p>	<p>Demand from unscheduled care can spike.</p>	<p>Cancellation data collected on WPAS and shown on the Theatre Power BI Dashboard. More detailed cancellation reasons also collected at from daily SITREP meeting.</p>	Green
Ensure effective utilisation of theatre capacity through: - reducing late starts to less than 20%; - reducing early finishes to less than 10%; and - increasing session utilisation to the GIRFT standard of 85% by March 2026	<p>Despite incremental progress achieved, more work required to reduce late starts / early finishes and session utilisation to target levels (circa 20% improvement opportunity)</p> <p>Key challenge = alignment of clinical job plans and theatre shift start/finish times</p>	<p>Refreshed Theatre Optimisation and Efficiency work stream led by new Clinical Care Group</p>	<p>Fallow lists remain a significant challenge due to theatre workforce availability challenges.</p> <p>Theatre staffing.</p>	<p>HDdUHB Power BI Theatre Dashboard.</p> <p>WG Theatre Dashboard.</p>	RED

<p>Improvement in the implementation and delivery of High Volume Low Complexity Theatre lists, with an initial focus on:</p> <ul style="list-style-type: none"> <li>- Arthroplasty 90% compliance with GIRFT standard of 4 primary joints/day, 2 by end of quarter 2;</li> <li>- Cataract 90% of lists to have 7 Cataracts per by end of Q2</li> <li>- 90% of the time achieve at least 6 HVLC general surgery procedures on an all-day list made up of hernia or gallbladders by end of Q2.</li> </ul>	<p>Core cataract sessions limited by workforce challenges hence heavy reliance on supplementary (outsourced) capacity (up to 2.5k procedures per annum)  Outsourced activity is by default HVLC in nature  8 core Cataract sessions per week split across different HddUHB sites  Three sessions are undertaken weekly at Amman Valley Hospital (AVH)  AVH caters for HVLC (high volume low complexity) cataract procedures  AVH now achieving 7/8 cataracts per list  Compliance = 100% compliant  5 weekly sessions across other sites (Acute sites GGH &amp; BGH) dedicated to complex or urgent patients including those with co-morbidities.  These patients are not suitable for HVLC lists and should be excluded from this calculation.  Further opportunities being explored via Regional Ophthalmology Programme  Target 8B: 90% of primary joints are 4 per all day list.  Current delivery plans are based on 4 / 13 (31%) surgeons routinely delivering 4 arthroplasty patients per lists.  Operating lists at PPH &amp; BGH are mixed HVLC / LVHC lists. ( 2 dedicated arthroplasty units for HB)  Further improvement opportunities are being explored within the scope of experience of individual surgeons, consistency of anaesthetic support and alignment of theatre shift patterns to clinical sessions.  Incremental progress achieved - 29% (N=208) increase in orthopaedic IP activity from March 2024 to March 2025.  Target 8C: 90% of General Surgery all day sessions achieve 6 HVLC procedures (hernia/gallbladder) by Q2  Majority of DSU PPH/WGH sessions are HVLC procedures.  12 out of 45 sessions with 6 per list (26%) due to limited waiting list demand for HVLC procedures (short waiting times) – opportunities for regional support  Remaining average 5 patients per session  GGH/BGH Sessions are not HVLC and cater for complex upper GI patients or regular non HVLC patients  General Surgery total pathway waiting times generally below 36 weeks</p>	<p>Efficiencies in GGH/BGH cataract theatre is difficult to increase due to current theatre staffing issues.</p>	<p>Theatre staffing estates challenges on GGH/BGH sites (distances from ward to theatre)</p>	<p>Theatre dashboard</p>	<p style="text-align: center;"><b>Amber</b></p>
<p>Deliver improvements in day surgery rates, with an expectation to achieving a BACDS day case rate of 70% from April 2025, moving to 80% by the end of June 2025</p>	<p>24/25 baseline 86.5%  Sub-specialty variation below this rate in Breast, ENT and Paeds due to, primarily due to geography  Improvement workstreams will be part of the Theatre Optimisation and Efficiency workstream  In 24/25 a total of 39,678 procedures  5,334 Inpatient procedures (13.5%)  34,334 Day case procedures (86.5%)</p>	<p>Day case procedures as a percentage of total procedures in Q1 2025/26 exceeded the full year 2024/25 baseline of 86.5%.</p> <p>A total of 9,898 procedures were undertaken in Q1 2025/26, split as follows:  1,267 Inpatient procedures (12.8%)  8,631 Day case procedures (87.2%)</p>	<p>Target met.</p>	<p>IP/DC activity volumes reported in IPQD slide set.</p>	<p style="text-align: center;"><b>Green</b></p>
<p>Consistent clerical and clinical validation should be in place on an ongoing basis and reported quarterly for impact.</p>	<p>Clerical Validation: From April 2024 to March 2025:  RTT: 35,527 pathways validated, 14,703 removals (42%)  In March 34,291 patients &gt;26 weeks (Compliance = 100%)  FUWL: 23,294 pathways validated, 5,861 removals (25%)  Validation efforts are targeted to ensure maximum yield</p> <p>Clinical Validation: No Benchmark currently  FU validators identify potential records for clinical review by cross checking CIN/Other SOS/PIFU DX Guides  Next Steps:  Retrospectively apply CIN / RTT guidance  Develop Clinical Condition improvement plan to improve targeted validation  Further improvements to be established within new Clinical Care Group Transformation work stream</p>	<p>Clerical Validation: From July 2024 to June 2025:  RTT: 30,255 pathways validated, 11,454 removals (38%)  In June 35,339 patients &gt;26 weeks (Compliance = 86%)  FUWL: 26,912 pathways validated, 6,522 removals (24%)  Validation efforts are targeted to ensure maximum yield.</p> <p>Stage 1 validated down to 36 weeks Using algorithms.</p>	<p>Protected clinical time to undertake the work (via job plans).</p>	<p>Validation trackers held locally.</p>	<p style="text-align: center;"><b>Green</b></p>

Enabling Actions	Baseline Position - 1 April 2025	Progress report - July 2025	Challenges/risk to delivery	Evidence	RAG rating
<b>Maximise workforce productivity and efficiency, strengthening value and effective deployment of the workforce</b>					
Fully implement the actions outlined in the Variable Pay & Agency Control Framework Welsh Health Circular	Partial implementation; inconsistent control across staff groups.	<ul style="list-style-type: none"> <li>Structured governance in place for nursing.</li> <li>Peer group established for operational learning.</li> <li>Off-framework agency use eliminated.</li> </ul>	<ul style="list-style-type: none"> <li>Gaps in governance for non-nursing groups.</li> <li>Need for standardised rate cards and ADH controls.</li> <li>Extend governance to all staff groups.</li> <li>Implement rate cap scenarios.</li> <li>Strengthen escalation and reporting mechanisms.</li> </ul>	<ul style="list-style-type: none"> <li>WHC/2024/031 compliance tracking.</li> <li>Peer group meeting records.</li> <li>Rate card and ADH governance documentation.</li> </ul>	AMBER
Deliver a further continued and sustained reduction in agency expenditure, with a target 30% reduction in 2025/26 from 2024/25 outturn, and ensuring no off-contract expenditure.	2024/25 medical agency spend: £4.78M. Off-contract only in Medical with two Non-De workers, action plans in place to remove. April spend: £356,736 (overspend of £77,888).	<ul style="list-style-type: none"> <li>May forecast: £216,801 (Underspend £62,047)</li> <li>Exit plans in place for all agency workers.</li> <li>Medical Agency engagement event taken place with Executive Director of Medical, this will be rolled out to other staff groups.</li> </ul>	<ul style="list-style-type: none"> <li>High-cost bookings (e.g. ST3 in GGH USC).</li> <li>Pressure on remaining months to meet target.</li> <li>Accelerate international recruitment.</li> <li>Implement rate cap reductions.</li> <li>Focus on high-cost areas with Medical &amp; Clinical Care Groups.</li> </ul>	<ul style="list-style-type: none"> <li>Medacs ledger data.</li> <li>Exit plans and recruitment pipeline.</li> <li>Monthly spend tracking.</li> <li>Medical Agency engagement event</li> </ul>	AMBER
Ensure a reduction in agency spend on Healthcare Support Worker, Admin & Clerical, and Estates & Ancillary staff to zero by 30th September 2025.	Agency use present only in HCSW with no agency spend in Admin and Clerical or Estates and Ancillary staff groups.	<ul style="list-style-type: none"> <li>Governance and control framework being extended.</li> <li>Targeted eradication plans in development.</li> </ul>	<ul style="list-style-type: none"> <li>Cultural reliance on agency.</li> <li>Gaps in internal bank capacity.</li> <li>Finalise and implement eradication plans.</li> <li>Expand internal bank and flexible staffing.</li> <li>Monitor compliance via peer group and board reporting.</li> </ul>	<ul style="list-style-type: none"> <li>Agency reduction plans.</li> <li>Workforce supply modelling.</li> <li>Governance documentation.</li> </ul>	GREEN
Ensure effective implementation of job planning policy, to include ensuring that > 90% of all Consultants have an agreed job plan in place at all times by 30 September 2025.	85% compliant	82% compliant	<p>Service pressures and associated time constraints are the main challenges to the completion of job plans.</p> <p>Although the completion rate for job plans is known, the quality of those plans, and whether or not they fully align with demand is not fully understood at this time. Work is underway to address this.</p>	<ul style="list-style-type: none"> <li>Consultant Job Planning Toolkit in place to support the process.</li> <li>Regular Job Planning training sessions facilitated.</li> <li>Monthly compliance reports produced, which are sent to both service managers and clinical leads.</li> <li>Job Planning process included as part of the annual audit cycle, bi-annual Improving Together sessions and monthly internal escalation meetings.</li> </ul>	AMBER

<p>Ensure a reduction in sickness absence in 2025/26 in comparison to 2024/25, through maximising adherence to the requirements of agreed attendance at work policies and adhering to the all-Wales Occupational Health minimum service levels.</p>	<p>Sickness absence for the Health Board as a whole was 6.18% in April 2025. Aside from March 2025, this was the Health Board's lowest rate during the preceeding 12 month period.</p>	<p>The Occupational Health Service aims to support a reduction in sickness absence by</p> <ol style="list-style-type: none"> <li>1.Ensuring the relevant key performance indicator recommendations are continued to be consistently met in 2025/26.</li> <li>2.We aim to increase the staff flu uptake by at least 20% for 2025/26 which will hopefully lead to a reduction in this reason for absence (which consistently remains in the top three highest reasons for absence).</li> <li>3. A sickness audit is being undertaken by Internal audit this year which should support improvements in process from a lessons learned approach.</li> <li>4. A suite of bitesize animation training for sickness absence is being developed to support managers. The first in the series has just been published and we will be monitoring the analytics around this and any impact.</li> <li>5. Workforce and Occupational Health Colleagues are working on model referral forms by condition and job family which should support better reports and more informed adjustments that can be implemented to support an earlier return to work.</li> </ol>	<p>Staff and Managers fail to engage in the flu campaign and with the new suite of training.</p>	<p>Occupational Health (OH) produce reports on compliance with OH Standards. These, as well as sickness data, feature in our People, Organisational Development and Culture Committee reports.</p>	<p><b>GREEN</b></p>
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Enabling Actions	Baseline Position - 1 April 2025	Progress report - July 2025	Challenges/risk to delivery	Evidence	RAG rating
<p><b>Continue to optimise value for money and contribution to overall efficiency through key non-pay areas, optimising both efficiency and effectiveness</b></p>					
<p>Non-Pay - ensure implementation of Value &amp; Sustainability Board recommendations, which includes local implementation of clinically endorsed and mandated product choice to maximise market share and deliver best value.</p>	<p>HDdUHB has established the Value &amp; Sustainability Group (V&amp;SG) to oversee non-pay efficiencies, with a compendium of variation identifying key opportunities in procurement and contract management. Robust financial governance is in place, including weekly scrutiny of non-pay procurement via the Financial Control Sub Group (FCSG), aligning with national Value &amp; Sustainability Board themes on clinically endorsed product choices and market share maximisation. A budget manager control framework has been issued and signed off to support standardised implementation. This supports the broader annual savings target of £44.4m, with non-pay elements embedded in themes like clinical supplies and drugs optimisation.</p>	<p>Implementation of recommendations is advancing under V&amp;SG and Integrated Quality, Finance, Performance, and Delivery (IQFPD) oversight, with £22.1m of the £44.4m annual savings target identified in green/amber schemes as of July 7, 2025 (total identified £33.4m across all BRAG), including non-pay areas like enhanced contract governance, product standardisation, and clinical supplies reduction costs. Progress includes a £3.7m increase in green/amber identification since the last update, with 17 new schemes added, such as insulin pump rebates, VAT savings, and further pharmacy/medicines optimisation opportunities, mirroring successes in nurse agency reductions, and ongoing dialogue with the NHS Executive to embed clinically mandated choices. Thematic savings schemes are being converted from non-recurrent to sustainable, with early wins in non-pay cost containment (e.g., visual aids and breast tests supplies) contributing to a core operational variance benefit.</p>	<p>Capacity gaps in contract management and procurement teams may delay standardisation; potential resistance from clinical teams to mandated product switches; resource constraints could impact the ability to deliver on implementation timelines; ongoing reliance on non-recurrent savings and identification shortfalls require focused efforts to ensure recurrent efficiencies are achieved.</p>	<p>Weekly FCSG reviews of non-pay procurement activity (e.g., 17 requests considered, 14 approved in recent period); monthly finance reports and savings trackers to Executive Team, Finance and Performance Committee (F&amp;P), and Board (e.g., July 7, 2025, update showing £33.4m identification, £3.7m green/amber increase, and full delivery); compendium of variation updates feeding into V&amp;SG and IQFPD; external validation through Welsh Government dialogues and Escalation Framework action plan monitoring; specific non-pay variances detailed in core drivers (e.g., drugs and supplies, new pharmacy schemes like insulin rebates).</p>	<p><b>GREEN</b></p>
<p>Medicines Management - ensure full implementation of the high value medicines Value &amp; Sustainability Board programme, which includes delivering opportunities against each of the four programme areas (maximise use of biosimilars, switch to generics, preferential use of medicines in primary care, restrict low value prescriptions)</p>	<p>HDdUHB have clear action plan in place to deliver on all value and sustainability medicines recommendations.</p> <p>All recommendations are being implemented and are being monitored regularly from national datasets and disseminated through the HB. Particular success within Hywel Dda around early and quick implementation of ustekinumab biosimilar.</p>	<p>HDdUHB continue on current trajectory across all recommendations.</p> <p>New Value &amp; Sustainability Delivery Assurance Group set-up across Wales under remit of the Directors of Pharmacy Peer Group.</p> <p>Work in place nationally through the Delivery Assurance Group to review current recommendations and identify and agree key priorities and opportunities for 25-26.</p>	<p>Capacity for medicines homecare service within HDdUHB could impact delivery of recommendations relating to biosimilar medicines via homecare.</p> <p>Medical and clinical engagement required to approve and action changes to biosimilar or generic products.</p> <p>Volume of prescribing of branded products and low value products within primary care is large, therefore impact on extended delivery time to complete changes.</p>	<p>Monthly updates for each recommendation shared with all Health Boards.</p> <p>Hywel Dda's position and update provided to Health Board Value &amp; Sustainability meeting in May. Regular reporting process will be provided through the Health Board group.</p>	<p><b>GREEN</b></p>
<p>CHC - ensure implementation of Value &amp; Sustainability Board recommendations which include continued actions to improve clinical and financial effectiveness associated with packages of care. This includes implemented a standard digital solution to support effective intelligence capture on a national basis.</p>		<p>Ongoing discussions with WG regarding a national digital system that will require a procurement process.</p>	<p>Ongoing discussions with WG regarding a national digital system that will require a procurement process.</p>	<p>Lead for CHC</p>	<p><b>GREEN</b></p>
<p>Estate - ensure ongoing actions to strengthen estate utilisation including the appropriate repurposing and disposal of under-utilised estate.</p>	<p>The HDdUHB Property Asset Strategic Plan set the baseline, approach and rationalisation outputs for the HDdUHB estate. This is further strengthened by our recently published Agile Working Strategic Plan which identifies work as 'an activity we do, not a place we go' and sets the tone for maximising estate utilisation across all of HDdUHB. Both Picton Terrace and Carmarthen Hwb are positive examples of how we are taking this objective forward in 2025/26 through leveraging high performing estates in collaboration with other public sector bodies, whilst disposing of poor performing, under-utilised accommodation assets .</p>	<p>Picton Terrace and Carmarthen Hwb projects remain on time/budget and expected to go live in Q4 2025/26. Centralisation of the accommodation requests and allocation process is complete, enabling increased financial control. Deployment of the 'Occupeye' system is well-established and successfully unlocking underutilised space for reallocation/repurposing/disposal across our acute and community sites. The new 'Strategic Property &amp; Environment Governance Structure is in situ with DoSP as SRO. 5 leased accommodations have been disposed of so far in 2025 (Jan - Jun)</p>	<p>1. Refurbishing and repurposing accommodation within limited spend / over subscribed capital budget. 2. Evidencing estate under-utilisation is resource intensive. 3. Risk of services being 'offline' and/or disrupted when closing buildings and moving staff. 4. Contractual implications of moving staff base is costly (revenue).</p>	<p>The HDdUHB Property Asset Strategic Plan</p>	<p><b>GREEN</b></p>

Enabling Actions	Baseline Position - 1 April 2025	Progress report - July 2025	Challenges/risk to delivery	Evidence	RAG rating
<p><b>Support improvements in outcomes, effectiveness, and value, through optimising how resources are utilised, and focus on improving outcomes</b></p>					
<p>Ensuring full implementation of the nationally optimised pathways in the cancer recovery programme</p>	<p>All pathways have been mapped against the 30 NOPs. Breast have a one stop service, Gynae partially have a one stop PMB service (BGH &amp; GGH),</p>	<p>Gynae one stop in all 3 counties by July 25. Currently looking at the development of a one stop prostate pathway. Discussions taking place across Wales with 2 other health boards and NHS Exec. Implementing Nurse delivered LAMP. In progress implementation date July 25. Lung AI was implemented in November 24 with patients having chest xrays going on to have direct CT Scans. Transfer the faecal immunochemical testing (FIT) service from Secondary to Primary Care in line with the lower GI National Optimal Pathway by end Sept 25. Implement a dedicated Neck Lump Clinic with the support of a Head &amp; Neck Radiologist. A dedicated Neck Lump clinic would allow the patients to receive an Ultrasound Guided</p>	<p><b>Delivering 7 day diagnostics</b> . Investment in Radiology has been agreed. This aims to reduce radiology waiting volume across all modalities and achieve turnaround time of investigation performed to 7 days from point of referral, and also to reduce turnaround time for reports to 7 days - By March 26</p>	<p>This will be monitored via the HB Cancer Dashboard, the NHS Exec Quarterly monitoring reports and the National SCP Component Wait Dashboard.</p>	<p><b>AMBER</b></p>
<p>Ensuring full compliance with straight to test guidance</p>	<p>53.2% SCP referrals sent straight to Test (all specialties in Feb 2025)</p>		<p>DHCW development will inform RTT STT compliance</p>		<p><b>GREEN</b></p>
<p>Ensure progress with the implementation of Value &amp; Sustainability Board High Value High Impact pathway - Diabetes</p>	<p>High Value, High Impact measures dataset impact assessment completed and returned to DHCW Data Standards</p>	<p>Continued PROM collection using existing tools (to be changed to new toolset when approved). Existing PROM data evaluated to provide enhanced focus in problematic areas. Successful business case to provide enhanced coverage for hybrid closed loop technologies for T1 patients. Enhanced monitoring of compliance with eight care metrics through national Diabetes Insights &amp; Variation Atlas. Support provided to Diabetes remission programme to enable acceleration of work in addressing projected increasing rates of Diabetes.</p>	<p>Many of the metrics that have been identified require data from both Primary and Secondary care. There is no single source for all information relating to Diabetes patients.</p>	<p>Work to be coordinated through Diabetes and associated operational teams in conjunction with the VHBC Team. Work to be consolidated and presented through VBHC Leadership Group and Strategy &amp; Planning Committee. Evidence of metrics to be reflected in Diabetes Insights &amp; Variation Atlas.</p>	<p><b>GREEN</b></p>
<p>Ensure progress with the implementation of Value &amp; Sustainability Board High Value High Impact pathway - Bone Health</p>	<p>FLS service in place and PROM collection commenced in line with emerging national standards.</p>	<p>FLS service fully operational and patients being identified and seen by clinicians routinely, who are providing evidence based injection therapy where appropriate. PROM data captured and being compared with data captured elsewhere in Wales.</p>	<p>Capacity of service management team has hindered updates on progress of FLS service. Work underway to jointly develop update on progress to date. Consideration needs to be made on long term sustainability of this new model of working before December 2025.</p>	<p>Progress report to be produced and brought to Value &amp; Sustainability Group in August 2025 and update provided to Value Leadership Group.</p>	<p><b>GREEN</b></p>

Ensure progress with the implementation of Value & Sustainability Board High Value High Impact pathway - Arthroplasty (Hip & Knee)	PROM data being captured in accordance with national pathways for Hips & Knees and Shoulders & Elbows. Service level reports developed and patient level prototype dashboards produced.	Conclusion of Patient Centred VBHC community of practice, capturing patient goals for hip fracture patients. Continuation of shared decision making capture using CollaboRATE tool. Development of service level PowerBI dashboards for T&O knee and hip patients, demonstrating value of intervention, and capable of being stratified by Hospital, Consultant and Primary Procedure.	Work still required to consolidate and evaluate rich PROM data set in major joints and to consider this alongside person centred value based healthcare and shared decision making outputs. A lack of integration with national systems is preventing the visualisation of PROM data in key clinical information systems (such as WCP), and this is hindering clinical engagement with PROM data.	T&O evaluation to be included as priority update on Value Leadership Group work programme.	<b>AMBER</b>
Ensure implementation of national digital priorities, specifically the implementation of the digital maternity system, and NHS Wales app.		The Digital Maternity project has commenced and the solution to support the deliver aquired. Go live is anticipated to be by March 2026, however funding beyond this period has not been confirmed. Secondary Care NHS Wales app pathfinder project is underway with HDUHB leading on the P3F workstream, testing is underway but go live has been delayed due bugs with the development team (not HDUHB).	Testing is underway but go live has been delayed due bugs with the development team (not HDUHB).	Digital workplan	<b>GREEN</b>
Support the implementation and roll-out of the NHS Wales app for maximum impact and benefit to include the uptake of its use for repeat prescriptions.		This action does not sit with HDUHB but is delivered by DHCW. Repeat prescriptions are primarily delivered by GP's which are supported by DHCW.	The EPS project is delivered by DHCW not HDUHB who are also responsible for comms and engagement with stakeholders.	Digital workplan	<b>GREEN</b>
Eradicate unsupported systems and devices, and ensure a clear cyber response plan for the organisation.		The number of unsupported assets has been significantly reduced from 897 in October 2023 to 153 by May 2025. Eliminating the remaining unsupported assets remains a top priority.	The primary challenges continue to be the complexity and dependencies of systems and suppliers. A cyber incident response plan has been developed and tested through an externally led tabletop exercise in January 2025.	Digital workplan	<b>GREEN</b>
Progress implementation of the national approach to Interventions not normally undertaken (INNU) - Deliver the 8 priority procedures determined for implementation as part of Phase 1.	< 1% of PTL are classed as an INNU. INNU's are routinely validated by each service with only clinically appropriate patients on a PTL.	< 1% of PTL are classed as an INNU. INNU's are routinely validated by each service with only clinically appropriate patients on a PTL.	Clinical decision overriding INNU recommendations.	Power BI Dashboard HDUHB that provides numerated information on any patients that may be considered an INNU.	<b>GREEN</b>
Progress implementation of the national approach to Interventions not normally undertaken (INNU) - continue to implement ongoing recommendations throughout 2025/26	< 1% of PTL are classed as an INNU. INNU's are routinely validated by each service with only clinically appropriate patients on a PTL.	< 1% of PTL are classed as an INNU. INNU's are routinely validated by each service with only clinically appropriate patients on a PTL.	Clinical decision overriding INNU recommendations.	Power BI Dashboard HDUHB that provides numerated information on any patients that may be considered an INNU.	<b>GREEN</b>

<p>Ensure delivery of effective referral management processes. This includes consistent implementation of Health Pathways (Pathway Alliance Programme) across all Health Boards with the rapid adoption of the 282 pathways within the programme.</p>	<p><b>Referral Management:</b> Over last 12 months each week: Average 2,727 referrals, 810 (30%) Removed Other than Treated (returned with A&amp;G or not accepted). 1,917 weekly additions waiting list  <b>My Health Pathways:</b> Currently midway through 3-year funded programme  203 published pathways. 69 Hywel Dda region national pathways published  30k page views to date. Top 3 pathways: Carpel Tunnel, HRT &amp; acute asthma in children  Page views increasing quarterly. Local &amp; National value evaluation being undertaken to demonstrate impact  Paediatrics/T&amp;O have highest volume of pathways published. Achieved regional target of publishing 50 national and 100 regional</p>	<p><b>Referral Management:</b> HB continue to have an average of 2.7k referrals each month with approximately 30% removed or returned.</p>	<p>Not being able to clinically triage referrals (protected time).  <b>Next Steps:</b> Work towards reducing referrals at source with improved A&amp;G (MyHealthPathways).</p>	<p>Weekly referral datasets.  HDUHB Power BI Dashboards.  MyHealthPathways data held by MHP team.</p>	<p><b>GREEN</b></p>
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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  
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Our Ref: IMTP/JP/SB

28 July 2025

Dear Phil

## **RE: Accountability Conditions**

It was unfortunate that your Board was unable to submit a balanced Integrated Medium-Term Plan (IMTP) for 2025-28 in line with section 175(2A) of the National Health Service (Wales) Act 2006 (as amended by NHS Finance (Wales) Act 2014) and in accordance with the NHS Planning Framework. Submitting an annual plan instead means the organisation has not delivered its statutory duty.

Your annual plan has been reviewed. We were pleased to note that the plan is set within the context of the health board's longer-term strategy "A Healthier Mid & West Wales", and the development of a Clinical Service Plan is progressing well. However, as communicated previously, overall, your plan is unacceptable and unsupported. As such it remains subject to ongoing discussion and requires further improvement. The review concluded that the plan carries a number of risks that will need to be actively managed and mitigated. Consequently, there are a range of accountability conditions, which must be tracked and reported on throughout the year.

The accountability conditions set out in Annex 1 align with the de-escalation criteria linked to your escalation status. One of these conditions specifically requires compliance with all applicable de-escalation criteria. The accountability conditions will form part of our

discussions during regular meetings, including those between the Cabinet Secretary and your Chair.

In addition, the Cabinet Secretary has issued a written statement, Improving Performance Together: Priority Delivery Actions for Better Health and Care 2025/26, which outlines his expectations for the year ahead. These expectations were also set out in his recent letter to Chairs and Chief Executives and must be clearly reflected in your delivery plans.

I expect you and the Board to work closely to scrutinise the plan and ensure that progress is effectively monitored throughout the year. Quarterly updates on plan delivery should be submitted to [HSS-PlanningTeam@gov.wales](mailto:HSS-PlanningTeam@gov.wales) and must be accompanied by a refreshed Minimum Data Set (MDS), clearly outlining any changes to trajectories and goals.

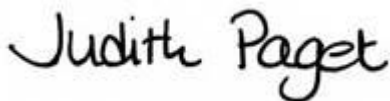
Future Joint Executive Team (JET) meetings will include discussions on progress against the accountability conditions and overall plan delivery. Performance and risk areas will also be reviewed through regular Integrated Quality Planning and Delivery (IQPD) meetings and ongoing engagement between the NHS Planning Team and your planning leads.

If any material changes to the plan are required during the year, these must be communicated to me in an 'Accountable Officer' letter.

As Chief Executive, I expect you to lead by example and with compassion, drawing on the full capability of your executive team to meet the accountability conditions, engage constructively with the Welsh Government, and deliver measurable improvements.

I trust this letter provides clarity on our expectations. However, should you have any questions, please do not hesitate to contact me.

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

## Annex 1. Accountability Conditions

### Your plans should be underpinned by:

The '**Five Ways of Working**' sustainable development principle of the Well-being of Future Generations Act remains central to the health board's approach. It is essential that the organisation builds on the progress made and ensures its well-being objectives are aligned with, and supported by, its planning arrangements.

The **12 Health and Care Standards** of the Quality Framework guide

**Wider regulatory and national priorities**, which include but are not limited to:

- Welsh Language and the Active Offer;
- Support for vulnerable groups;
- All-Wales Anti-Racism Action Plan; and
- Delivery of actions outlined in the LGBTQ+ Plan.

### Your organisation's accountability conditions include:

1. Delivery of the objectives stated in the letter from Cabinet Secretary for Health and Social Care sent on 3<sup>rd</sup> July 2025, which include:

**Delivering** the key Welsh Government priorities for the NHS:

- a. Reducing waiting times
- b. Reducing Pathways of Care delays
- c. Improving women's health services

**Strengthening** how we run the NHS

- a. Modernising leadership and culture
- b. Getting better at regional working
- c. Improving openness, accountability and collaboration

**Getting services ready** for the future

- a. More effective prevention of ill health
- b. Putting more services into the community
- c. Realising the potential of digital and innovation

2. Delivery of the priorities and enabling actions set out the in the **NHS Wales Planning Framework 2025-28**.
3. Delivery of the recommendations set out in the **Ministerial Advisory Group on Performance and Productivity Report**.
4. Supporting Wales's ambition to become a **Marmot nation, by embedding the principles of equity and social justice into** actions and values.
5. Undertaking **robust winter planning** preparations with partners, which align to the key actions set by the Cabinet Secretary for Health and Social Care and clearly identify risks and mitigating actions ahead of winter 25/26.
6. Meeting the **de-escalation** criteria relevant to your escalation status.

7. Reviewing the **JCC Foundational Plan** and managing any decommissioning processes, associated risks and mitigations for your organisation.
8. Ensuring your **vaccination plan** meets the national target and trajectories to increase uptake and reduce inequalities.
9. Ensuring the **workforce actions** in your plan are effectively translated into delivery requirements.
10. Having an approved **Six Goals for Urgent and Emergency Care programme plan**.
11. Ensure actions are being undertaken with commissioned GMS Practices on improving **attainment of the 8 diabetes care processes** to meet national target and improved delivery towards the high value, high impact pathway metrics, including the roll out of hybrid closed loop technology.
12. **Delivering the 2024/25 outturn and strengthening the recurrent position**, through:
  - a. Demonstrating delivery, in full, of the planned level of savings that under-pin the current forecast deficit
  - b. Demonstrating actions are being taken to mitigate any in-year pressures that may arise
  - c. Identifying and delivering actions that could be taken to achieve the 24/25 outturn position
  - d. Identifying and delivering actions that positively improve the health board's recurrent position for 26/27 and beyond
  - e. Developing a trajectory and roadmap to deliver financial balance

### **Reporting arrangements**

- The plan and summary explainer video must be published on your organisation's public facing website
- Reporting must be submitted quarterly to provide a delivery update against the plan, as well as the conditions outlined above. There should be reporting against the key milestones associated with that quarter, an explanation of any delays/amendments to milestones, identification of next steps and the mitigation of any new/emerging risks.
- The Minimum Data Set (MDS) must be refreshed on a quarterly basis, supported by written narrative to explain the context to these changes.
- Any material changes must be communicated to the Director General for Health, Social Care and Early Years and the NHS Wales Chief Executive, through an Accountable Officer letter.
- Quarterly updates on plan delivery should be submitted to [HSS-PlanningTeam@gov.wales](mailto:HSS-PlanningTeam@gov.wales)