CYFARFOD BWRDD PRIFYSGOL IECHYD
UNIVERSITY HEALTH BOARD MEETING

DYDDIAD Y CYFARFOD: **DATE OF MEETING:**	19 February 2026
TEITL YR ADRODDIAD: **TITLE OF REPORT:**	Regional Cellular Pathology Programme – Preferred Laboratory Site
CYFARWYDDWR ARWEINIOL: **LEAD DIRECTOR:**	Lee Davies, Executive Director of Strategy and Planning, Hywel Dda University Health Board
SWYDDOG ADRODD: **REPORTING OFFICER:**	Ian MacDonald, Assistant Director of Finance, Swansea Bay UHB Heather Edwards, Business Planning Manager, Swansea Bay UHB Rose Turrell, Pathology Programme Manager, RJC PMO

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

ADRODDIAD SCAA
SBAR REPORT

Sefyllfa / Situation

This report presents the completed options appraisal paper (see attached) on the regional cellular laboratory preferred site, to be submitted to Welsh Government.

Commercial in confidence information referred to in Annex 1 has been omitted due to the sensitivity of the information. This annex will be discussed at an In Committee session of the Board.

The Board is asked to:

- **CONSIDER** the work undertaken on the site options appraisal and the recommendation from the recent Regional Cellular Pathology workshop for a preferred Laboratory Site.
- **APPROVE** the submission of the paper, identifying the preferred site, to Welsh Government by 20 February 2026, subject to its endorsement by the Regional Joint Committee (RJC) on 16 February.

Cefndir / Background

At the March 2025 Public Board meetings of Hywel Dda and Swansea Bay University Health Boards, the future direction of the Regional Pathology Programme was considered. This followed the decision by Welsh Government in January 2025 to cease support for the completion of an Outline Business Case (OBC) for a c£135m Centre of Excellence integrated laboratory on the Morriston Hospital site, due to the outcome of the national capital prioritisation exercise.

In September 2025, both Hywel Dda and Swansea University Health Boards received a report at their respective Public Board meetings, which outlined the next steps for a regional Cellular Pathology service for south-west Wales. The Boards agreed to endorse the aspiration to develop a fully integrated regional cellular pathology service, in a single facility, for South-West Wales.

A regional pathology capital working group, chaired by Lee Davies, Executive Director of Strategy and Planning at Hywel Dda UHB, led the work on determining a preferred regional site. This group included regional programme support, Capital and Finance representatives and operational service leads.

In October 2025, this group met with Welsh Government to agree a timeline for submission of the paper. It was advised that, due to time constraints relating to the pre-election period, an options appraisal paper detailing a preferred site suitable for the Laboratory development would need to be submitted by 20 February 2026.

This report presents the final draft of this paper, identifying the preferred site, for approval by the Hywel Dda UHB Board, subject to its endorsement by the RJC on 16 February 2026.

Asesiad / Assessment

The report presented to the September 2025 Public Board meetings provided an update on the Regional Pathology programme, including the work undertaken for site selection. Both Boards endorsed the intention to develop a business case to support the conversion of one of the two shortlisted site options for the development of a regional cellular pathology service and, through the development of that business case, confirm the preferred option. The two shortlisted sites were Canolfan Pentre Awel, Llanelli and Sandringham Court, Swansea.

A third site on Swansea University's Bay Campus, was subsequently identified as an additional site for consideration by NHS Wales Shared Services Partnership (NWSSP). This site was presented to the Capital Working Group for consideration on 12 November 2025. It was agreed that the site met the hurdle criteria and it was, therefore, added to the shortlist for consideration.

Between October 2025 and January 2026, an appraisal of each of the three site options was conducted, utilising a combination of regional health board specialist resources and external expert commissions. This appraisal included the following activity:

- A full non-technical service led assessment of each site's suitability for service needs
- A thorough technical assessment of each site's suitability for development, including Mechanical Engineering and Architectural capability
- A high-level Capital costs analysis
- An indicative delivery timescale
- A financial analysis on the service move

A workshop was held on 2 February 2026, at which the appraisal information was considered and a consensus agreement of a preferred laboratory site option was reached.

Argymhelliad / Recommendation

The Board is asked to:

- **CONSIDER** the work undertaken on the site options appraisal and the recommendation from the recent Regional Cellular Pathology workshop for a preferred Laboratory Site.
- **APPROVE** the submission of the attached paper, subject to its endorsement by the Regional Joint Committee on 16 February 2026, identifying the preferred site to Welsh Government, including the following recommendations:

  - Welsh Government is asked to:

    1. Consider the recommendation of the South West Wales Regional Pathology Working Group that Bay Campus, Swansea University represents the preferred site for a regional Cellular Pathology Laboratory, subject to development of a full business case and confirmation of funding.

    2. Acknowledge that the recommendation is in line with the remit received from Ministers to agree regional solutions.

    3. Recognise that there is an affordability challenge which needs to be fully articulated within the full business case, including:

    - An indicative capital funding requirement of £12.5m;
    - Annual revenue funding requirement of £1.2m over a 15 year period (increasing from £0.7m in year 1, and £0.9m in year 2).

    The full business case needs to clearly articulate how the additional revenue consequences will be fully addressed or funded, as neither Health Board have the ability to recognise these within their future commitments. This may include:

    - Options to capitalise costs where this is in line with financial reporting standards;
    - Options to recognise cash releasing savings from the consolidation of services;
    - Options to develop commercial income streams;
    - Options to mitigate future unabated demand growth so that the productivity benefits of consolidation do not require future funding to address demand

    4. Subject to confirming affordability, agree capital funding to support detailed design activities during 2026/27, with the explicit understanding that:

    - Site selection does not constitute commitment to proceed
    - Full business case approval is required before any construction or lease commitment
    - Revenue consequences must be fully addressed

    Both Health Boards retain discretion not to proceed if the full business case is not satisfactory.

Amcanion: (rhaid cwblhau) Objectives: (must be completed)	
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	2133 Risk of unsustainable Cellular Pathology Service Delivery and Service Collapse due to extremely poor estate condition and size (Score 20)
Parthau Ansawdd: Domains of Quality Quality and Engagement Act (sharepoint.com)	7. All apply
Galluogwyr Ansawdd: Enablers of Quality: Quality and Engagement Act (sharepoint.com)	6. All Apply
Amcanion Strategol y BIP: UHB Strategic Objectives:	All Strategic Objectives are applicable
Amcanion Cynllunio Planning Objectives	1 Workforce Stabilisation 4 Planned care, diagnostics and cancer Recovery 8 Estates plans 10 Population health
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2021-2022	2. Develop a skilled and flexible workforce to meet the changing needs of the modern NHS 8. Transform our communities through collaboration with people, communities and partners 4. Improve Population Health through prevention and early intervention, supporting people to live happy and healthy lives

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Regional Pathology Programme
Rhestr Termau: Glossary of Terms:	RJC – Regional Joint Committee PMO – Programme Management Office
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	Regional Joint Committee

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	N/A
Ansawdd / Gofal Claf: Quality / Patient Care:	The proposal to develop a single Laboratory for Cellular Pathology in South-West Wales supports the goals of long-term service stability – improved workforce resilience and therefore timely access to services.
Gweithlu: Workforce:	The proposal to develop a single Laboratory for Cellular Pathology in South-West Wales supports workforce stabilisation but uniting the BMS and consultant teams which run Cellular Pathology.
Risg: Risk:	Risks are articulated in the paper. There is a risk to service stability regionally if the preferred site does not progress successfully to FBC. This will be managed as an ongoing programme risk.
Cyfreithiol: Legal:	N/A
Enw Da: Reputational:	N/A
Gyfrinachedd: Privacy:	N/A
Cydraddoldeb: Equality:	N/A

SWW Regional Cellular Pathology Laboratory Site Proposal

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

ADRODDIAD SCAA
SBAR REPORT

Sefyllfa / Situation

This paper presents the preferred site option for the south-west Wales Regional Cellular Laboratory to the Welsh Government Capital Team.

Cefndir / Background

At the March 2025 Hywel Dda and Swansea Bay March 2025 Public Board meetings the future direction of the Regional Pathology Programme was considered. This followed the decision by Welsh Government in January 2025 to cease support for the completion of an Outline Business Case (OBC) for a c£135m Centre of Excellence integrated laboratory on the Morriston Hospital site, due to the outcome of the national capital prioritisation exercise.

A working group to lead this work was formed, chaired by Lee Davies, Executive Director of Strategy and Planning in Hywel Dda UHB. The group included regional programme support, Capital and Finance representatives and operational service leads.

In September 2025, both Hywel Dda and Swansea University Health Boards received a paper at the Public Board meetings, which outlined the next steps for a regional Cellular Pathology service for south-west Wales. The Boards agreed to endorse the aspiration to develop a fully integrated regional cellular pathology service in a single facility for south-west Wales.

In October 2025, Health Board representatives met with Welsh Government to agree a timeline for the submission of the paper. It was advised that due to the time constraints relating to pre-election period, a paper detailing a preferred site suitable for the Laboratory development, would need to be submitted by 20 February 2026.

Sites were selected subject to their suitability to meet six hurdle criteria (see **Appendix A**).
At the time of the September 2025 Board Reports, two available sites had been identified, with a third option identified later, in November 2025. The two originally shortlisted sites were Canolfan Pentre Awel, Llanelli and Sandringham Court, Swansea. The third site was Bae Campus, Swansea.

Appropriate expert teams were commissioned to conduct a high-level test for fit on each site and to assess the suitability of the sites from a mechanical and engineering perspective. Service teams worked together to evaluate the sites from a non-technical perspective.

A workshop took place on 2 February 2026, at which the Technical and Non-Technical Assessments were presented and discussed.

The output of the workshop was a clear regional consensus on a preferred site.

Asesiad / Assessment

1. Non-Technical Evaluation Summary

As part of the agreed process, a non-technical site assessment was conducted by operational service leads from both Health Boards. This non-technical site evaluation assessed the relative performance and suitability of shortlisted sites against agreed non-technical criteria to inform decision-making on the preferred location for the Regional Cellular Pathology Laboratory. The criteria were informed by national and regional strategy and guidance, and best practice.

This approach ensured that early-stage decision-making was informed by a consistent and transparent framework, while acknowledging inherent uncertainties and the need for further validation as additional information becomes available

Whilst completing the assessment, the teams considered the basis by which the need for a regional cellular pathology service first emerged, as follows.

- A shortage of qualified pathologists
- Increased workload in volume and complexity
- Cancer Turnaround targets
- Premises-based Health and Safety Concerns
- Quality Assurance Demands

In 2021, the programme delivered an engagement session to both Health Board Executive Teams outlining the ambitions and opportunities for a south-west Wales Pathology Service to support the stability and sustainability of the service:

- To provide a first-class service – high quality service with timely access to all service users
- To resolve the recruitment crisis – attracting Pathologists and Scientists to the area
- To expand workforce modernisation – technology, advance practice
- To develop strong partnerships with universities – maximising on research and teaching
- To develop partnership working with the all-Wales Genomics Service

Process

The non-technical criteria were developed and agreed by Service Managers from both Health Boards prior to scoring (5/1/26). The 7 domains reflect key service priorities and the key drivers for service transformation. Each domain was attributed a % weighting, with all seven totalling 100%. Each domain featured a number of specific criteria.

The scoring was undertaken to compare laboratory site options based on existing knowledge of each individual site and its known potential. Scores reflect the assessors' informed judgement of each site's current capability and future potential against the defined criteria, recognising that more detailed data may refine these assessments at subsequent stages.

Scope

The non-technical evaluation was completed collaboratively by Service Leads from Hywel Dda University Health Board and Swansea Bay University Health Board, across two separate sessions (6/1/26 & 14/1/26) on Microsoft Teams. The session was facilitated by a Programme Manager and a Project Support Officer for the RJC PMO.

Outcome

The non-technical evaluation produced a % score for each site. These scores were supported by extensive narrative validation.

The process concluded that the preferred site for the service from a non-technical (service) perspective would be the Bay Campus, Swansea University closely followed by Pentre Awel, Llanelli and then finally, Sandringham, Swansea.

The Bay Campus site was deemed to be the strongest of the three sites from a service perspective for how strongly it supports the Workforce Resilience and Centre of Excellence priorities *(see* **Appendix B***).*

- Facilities. A modern, high quality and appealing environment which would enhance organisational reputation and workforce recruitment, demonstrating investment
- Facilities. The site would help to attract specialists who are drawn to state-of-the-art facilities that support advanced practice, teaching, and research
- Location. Within a reasonable travelling distance to most other Welsh Health Boards

2. Technical Evaluation Summary

Technical and Cost advisors were commissioned to undertake feasibility assessments of three potential sites identified jointly by HDUHB and SBUHB as being suitable for the potential retrofit of a co-located Regional Cellular Pathology laboratory service.

The advisors were tasked with assessing each site in terms of technical feasibility for refit, functionality, and indicative capital/revenue affordability implications. Specifically, the technical advisors' feasibility stage roles and key findings were as follows:

- **Lifecycle Consultancy Services** - to assess a range of service options and potential service and estates' models and make recommendations for a sustainable regional service solution. Lifecycle validated technical advisors' assumptions, refined spatial and advised on optimum functional flows to ensure designs and preferred site choice aligned with the future operating model and transformation objectives.
- **Stride Treglown** (Architects) - to provide feasibility stage appropriate test for fit evaluations to ensure each site can accommodate our draft Schedule of Accommodation's (SoAs) spatial requirements (but not functional flows, which will be detailed at detailed

design stage). Stride Treglown confirmed each shortlisted site can accommodate the draft SoA (see **Appendix C**), and to a greater or lesser degree, depending on their available footprint, each site provides future proofing space. See **Appendix D** for high level test for fit drawings for each shortlisted site.

- **Hoare Lea** (Mechanical & Electrical (M&E) engineers) - to provide technical evaluation of each site's design and infrastructure to assess their suitability for a new pathology laboratory. Hoare Lea's findings and recommendations for each shortlisted site are summarised in **Appendix E**.
- **Gleeds** (Cost Advisor) - to provide independent estimated capital budgets for each of the three shortlisted sites, informed by Hoare Lea's technical site reports. See Section 5 (below) for the shortlisted sites estimated capital implications (**see Annex 1**).
- The **Murray Partnership Limited** (healthcare planning and financial planning specialist) - to work with both Health Board's finance partners to evaluate baseline and future costs for staff and non-staff resources associated with merging cellular pathology services into a single site. Scope included identifying potential efficiency gains, cost avoidance and cash releasing benefits. See Section 5 (below) for the shortlisted sites' estimated revenue affordability baseline and future implications (**see Annex 1**).
- An **NWSSP – Specialist Estates Services (Property Services) Principal Property Surveyor** provided expert advice on land and property matters.

The final SoA, laboratory flows and clinical adjacencies and technical requirements will be detailed at RIBA 1-2 stage.

3. Workshop Summary

The workshop took place on 2 February 2026, facilitated by Chris Fourie, from Lifecycle. The agenda for the workshop can be seen in **Appendix F**.

The Health Boards were well represented by the relevant subject matter experts to support a balanced and well-informed discussion. The workshop attendee list can be seen in **Appendix G.**

In addition to Health Board representatives there was representation from NHS Wales Shared Services and NHS Wales Performance and Improvement.

The Workshop stakeholders received several presentations from its technical advisors (Architectural, Mechanical & Electrical, Capital Finance and Revenue Implications) and considered their conclusions and recommendations as regards each shortlisted site's complexity, deliverability and indicative cost & indicative programme implications (see **Appendices C, D, & E** for summaries of presentations). The Workshop stakeholders then received a non-technical presentation (see **Appendix B**).

The Architect and Mechanical & Electrical Technical Team representatives concluded:

- Sandringham Park was the preferred technical site (self-contained predominantly single storey; sole occupancy supports full strip-out least complex to fit out; large &

appropriately configured interior providing optimum laboratory flow; significant future proofing space; dedicated (152) car parking);
- Pentre Awel was considered the least technically suitable (it is a complex building, which infrastructure is designed to support offices and leisure services; it is a multiple demise; long and narrow footprint with split laboratory spaces; complex ventilation & drainage refit required; highest planning risk), and;
- Bay Campus was considered suitable (relatively minor refit to provide mechanical & engineering requirements; potentially minimal changes to office areas).

The Capital Finance representative concluded the indicative capital investment required per site was as follows:

- Bay Campus required the lowest capital investment.
- Pentre Awel required more capital investment than the Bay Campus, and;
- Sandringham Park required the most capital investment.

See Annex 1.

The Revenue Finance representative concluded the indicative future costs per site were as follows:

- Bay Campus will incur the lowest combined lease & operational cost over a 15-year lease period, with the lowest estimated capital fit out costs but will incur the highest recurring annual operational cost (note years 1 and 2 have a lower operational cost taking account of the current rent-free period being offered).
- Pentre Awel will incur a higher combined lease & operational cost than the Bay Campus over a 15-year lease period
- Sandringham Park will incur the lowest operational cost over a 15-year period given it can be purchased out-right, with additional expansion space available.
- It was also assessed that once the regional site is fully established, from year 2 there could be potential annual cash releasing revenue savings for up to £1.450m and productivity and outcomes benefits across a number of areas.

The high-level capital & revenue costs for each option may need to be supplemented with additional laboratory equipment costs as a result of combining two different commercial models for equipment and consumables (Hywel Dda/leased and Swansea Bay/owned). These will be subject to the outcome of regional Managed Service Contract discussions. The costs will be the same for each site option.

The high-level summary of the Non-Technical, Technical and architectural findings are summarised in a SWOT. **See Appendix H**.

4. Workshop Findings

Key stakeholders agreed the preferred site as the Bay Campus, Swansea University. Neither the Pentre Awel nor the Sandringham Park site were agreed as second choice.

5. Indicative Financial Information (Bay Campus)

The project's independent Cost Advisor (Gleeds) has informed the indicative Capital Requirements including recoverable VAT for the preferred location solution as follows

	£000s
Works (incl external works)	7,511
Fees	901
Non-Works Costs	601
Equipment costs	380
Contingency	1,409
VAT	2,161
Forecast Outturn (pre VAT recovery)	**12,963**
Recoverable VAT	-481
Forecast Outturn	**12,482**

Capital assumptions:

- This project is at feasibility stage (RIBA Stage 0/1) - no design or tendering has been undertaken.
- Excludes Cellular Pathology laboratory equipment costs (subject to outcome of regional Managed Service Contract discussions).
- Costs are based on benchmarked market rates and assumes procurement would be under a Tier 1 Construction Framework.
- Capital will be funded by Welsh Government through the All-Wales Capital Programme (AWCP).

The Indicative additional revenue costs for each Health Board for the preferred location, split on the basis of current forecast 2026/27 Cellular Pathology revenue costs are as seen in **Annex 1**.

Revenue assumptions:

- Include commercial offer of an 18- month rent free period.
- Includes VAT where applicable.
- Existing FM costs for NHS buildings are not releasable to this project.
- Additional Revenue FM costs will be funded by each Health Board on a proportion of current service running costs.
- Excludes additional laboratory equipment costs (subject to the outcome of regional Managed Service Contract discussions).
- Service charges estimate (included in lease costs) on communal areas (shared circulation, public lifts, plant, toilet blocks, etc.) will be detailed at business case stage, subject to agreeing detailed charges with site owners.
- Building Services, FM, Energy, Utilities and Rates costs are estimated (costs to be agreed and signed off with FM/Estates leads at detailed business case stage).
- Lease revenue costs will require IFRS 16 Right of Use (ROU) capital funding from Welsh Government, with the associated lease revenue funding returned to Welsh Government.

- Additional Depreciation and Impairment non-cash funding will be required from Welsh Government.

Firm capital and revenue costs will be developed following completion of detailed design and tendering stages.

6. Indicative Programme

This project has completed the Royal Institute of British Architects (RIBA) Stage 0 (Strategic Direction) and has completed technical feasibility studies, estimated project budget progressing and developed a Schedule of Accommodation under Stage 1 (Preparation & Briefing).

The RIBA Stages completed to date, ongoing and planned are outlined below:

<table>
<tr><th colspan="4">RIBA Plan of Work Stages</th></tr>
<tr><th>0</th><th>1</th><th>2 to 5</th><th>6 to 7</th></tr>
<tr><td rowspan="2">Strategic Definition</td><td rowspan="2">Preparation & Briefing</td><td>Concept Design</td><td rowspan="2">Handover</td></tr>
<tr><td>Spatial Coordination</td></tr>
<tr><td rowspan="2"></td><td rowspan="2"></td><td>Technical Design</td><td rowspan="2">Operational</td></tr>
<tr><td>Construction</td></tr>
<tr><td>Completed</td><td>Ongoing</td><td colspan="2">Next Stage</td></tr>
</table>

Procurement of design and construction appointments could be led by either the Health Board or by Swansea University (Bay Campus' 'landlord'). The preferred procurement approach will be confirmed at business case stage.

Subject to timely approval of capital requirements and confirmation of the procurement route, we anticipate that works stage would be handed over in Qtr4 2027/2028 (excludes clinical and technical commissioning and accreditation activities).

7. Key Risks

The key risks identified with this project on the preferred site are as follows:

Strategic

- If the preferred site is not deliverable, or due to protracted negotiations and funding approval, this site (and the two shortlisted sites) is no longer available, this will significantly impact programme

Operational

- Timely delivery of the preferred site solution will be critical to service sustainability
- Designing the optimum laboratory flow within the footprint is a key factor to achieving operational efficiencies

Financial

- Capital funding approval delayed or timing of funding does not match our current programme
- Capital cost over-run

- Agreement of lease terms
- Revenue affordability model is over/under-estimated
- Internal resource to support design activities and organisation change process are under resourced
- Anticipated cash and non-cash benefits are not realised.

Construction

- Indicative programme extends (funding delays, extended procurement timelines, internal and external approvals)
- Design stage funding is under resourced
- Planning approvals
- Drainage & Services' approvals
- Construction within a live and multi-demise environment (general disruption, construction noise, accessibility, etc.)
- Operational policy or service model changes significantly impact scope

8. Key Benefits

With the service under the existing financial and demand pressures it is unlikely that there will be substantial savings to be made immediately through a single unit but there are identified areas that are expected, over the first five years, to deliver financial and productivity benefits that would be unachievable within the existing two-unit structure. These will be developed as part of the generation of the business case and include:

- Reduction in existing staff pressures through development of a single staffing structure.
- Development of a single structure management and admin structure.
- Procurement savings through economies of scale and moving towards single managed service contracts.
- Development of a new service staffing staff structure using new equipment and skill mix to maximise productivity and resilience.
- Enable the service to maximise use of new technology and equipment.
- Improve performance and turn-around-times to enhance patient outcomes and support efficient working of other hospital services.

9. Next Steps

Subject to formal endorsement of the preferred site by both Health Boards and Welsh Government, the next steps for the Regional Cellular Pathology Working Group are as follows:

- Engage with site owner to secure the site, to agree the procurement route and lease terms
- Agree design fee support with Welsh Government.
- Appoint Design Team and Laboratory lead consultant to inform laboratory design and mandatory compliance requirements
- Commence detailed design
- Develop a robust fully designed and tendered single option/single business case for approval by Welsh Government

Argymhelliad / Recommendation

Welsh Government is asked to:

1. Note the recommendation of the South-West Wales Regional Pathology Working Group that Bay Campus, Swansea University represents the preferred site for a regional Cellular Pathology Laboratory, subject to development of a full business case and confirmation of funding.

2. Acknowledge that the recommendation is in line with the remit received from Ministers to agree regional solutions.

3. Recognise that there is an affordability challenge which needs to be fully articulated within the full business case, including:

- An indicative capital funding requirement of £12.5m.
- Annual revenue funding requirement of £1.2m over a 15-year period (increasing from £0.7m in year 1, and £0.9m in year 2).

The full business case needs to clearly articulate how the additional revenue consequences will be fully addressed or funded, as neither Health Board have the ability to recognise these within their future commitments. This may include:

- Options to capitalise costs where this is in line with financial reporting standards.
- Options to recognise cash releasing savings from the consolidation of services.
- Options to develop commercial income streams.
- Options to mitigate future unabated demand growth so that the productivity benefits of consolidation do not require future funding to address demand

4. Subject to confirming affordability, agree capital funding to support detailed design activities during 2026/27, with the explicit understanding that:

- Site selection does not constitute commitment to proceed
- Full business case approval is required before any construction or lease commitment
- Revenue consequences must be fully addressed
- Both Health Boards retain discretion not to proceed if the full business case is not satisfactory.

Appendices

A	Site Hurdle Criteria
B	Non-Technical Evaluation Summary- Scoring Methodology and Summary Results
C	Indicative Schedule of Accommodation (SoA)
D	Architect's hi-level test for fit drawings per site
E	M&E's findings and recommendations per site
F	Workshop Agenda
G	Workshop Attendees
H	SWOT Analysis
I	See Annex 1
J	See Annex 1
K	See Annex 1

Appendix A – Site Hurdle Criteria

Does the site provide fit for purpose cellular pathology laboratory and support accommodation?

Does the site support delivery at pace (i.e. 18-24m)?

Does this site's footprint allow for future laboratory expansion?

Does this site support a quality regional one-site model service for cellular pathology?

Does the site support recruitment and retention?

Is this site accessible and suitable for the transport of specimens?

Appendix B - Non-Technical Evaluation Scoring Methodology

Service Challenges, Ambitions and Opportunities (Agreed in 2021)

In 2021, we clearly outlined the challenges facing the service in South-West Wales, these included;

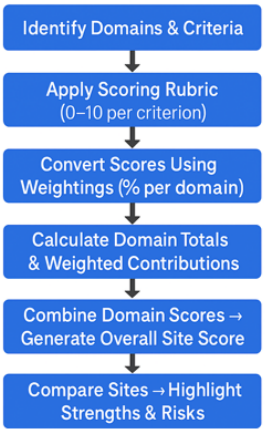
- A shortage of qualified pathologists
- Increased workload in volume and complexity
- Cancer Turnaround targets
- Premises-based Health and Safety Concerns
- Quality Assurance Demands

The agreed ambitions and opportunities for a South-West service were;

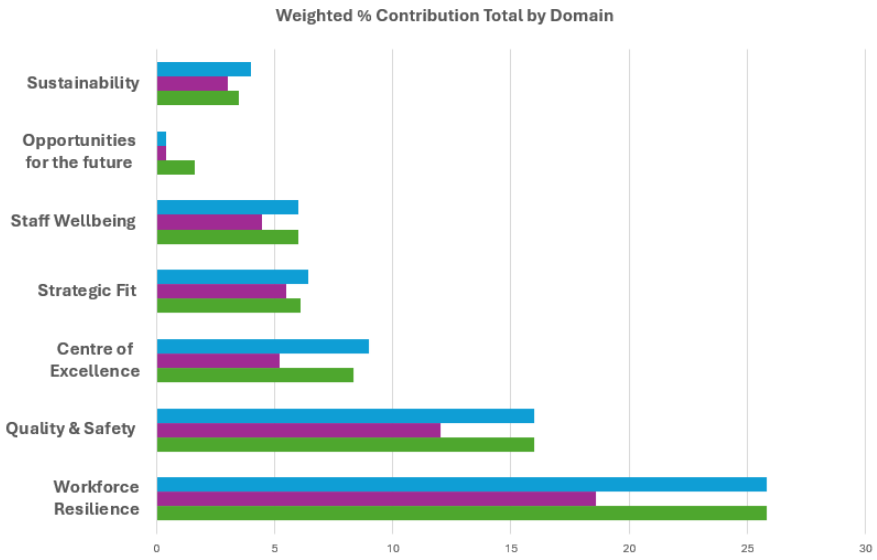
- To provide a first-class service – high quality service with timely access to all service users
- To resolve the recruitment crisis – attracting Pathologists and Scientists to the area
- To expand workforce modernisation – technology, advance practice
- To develop strong partnerships with Universities – maximising on research and teaching
- To develop partnership working with the all-Wales Genomics Service

Service Non-Technical Evaluation Process

- In January 2026, Service Leads conducted a comparative site assessment across the 3 sites.
- 7 domains for assessing the sites were decided and weighted by order of priority, as follows;
  - Workforce Resilience (35%)
  - Quality & Safety (20%)
  - Centre of Excellence (15%)
  - Strategic Fit (10%)
  - Staff Wellbeing (10%)
  - Opportunities for the future (5%)
  - Sustainability (5%)
- We converted the qualitative, non-technical judgments against each criteria within the 7 domains into numerical values using a standardised scoring rubric. This enabled transparency, consistency and comparability.



Non-Technical Result and Observations



Bay Campus	68%
Pentre Awel	67%
Sandringham	49%

Service Ambitions and Opportunities by Site

Ambitions	Bay Campus	Pentre Awel	Sandringham
To provide a first-class service – high quality service with timely access to all service users	√	√	√
To resolve the recruitment crisis – attracting Pathologists and Scientists to the area.	√	√	×
To develop strong partnerships with Universities – maximising on research and teaching	√	√	×
To expand workforce modernisation – technology, advance practice	√	√	√
To develop partnership working with the all-Wales Genomics Service	√	√	√

Appendix C – Schedule of Accommodation

Cell Path SoA (Schedule of Accommodation)		Lifecycle Regional Requirement (Option 5)		
Function		**Area per unit (m2)**	**Quantity of proposed units**	**Total area (m2)**
Laboratory	-	**531**	**13**	**541**
Specimen reception: histopathology, sorting and request processing area		30	1	**30**
Lab: Specimen cut up area		160	1	**160**
Lab: General sorting area		10	-	-
Lab: Sluice and clean up area and wet specimen store		11	1	**11**
Lab: High risk/frozen section suite		20	2	**40**
Lab: Non gynae cytology CAT 2		20	1	**20**
Lab: Processing		30	1	**30**
Lab: Embedding area		32	1	**32**
Lab: Microtomy		68	1	**68**
Lab: Staining area		40	1	**40**
Lab: Immunohistochemistry		90	1	**90**
Lab: Quality control area 1		10	1	**10**
Lab: Quality control area 2		10	1	**10**
Stores	-	**169**	**6**	**169**
Store: Specimen buckets		15	1	**15**
Store: Slide and block		10	1	**10**
Store: Archive block and slide		30	1	**30**
Store: Chemical		10	1	**10**
Store: Equipment and supplies including storekeeping area		100	1	**100**
Store: Laboratory consumables		-	-	-
Store: Laboratory consumables		-	-	-
Store: Protective clothing Lab coats		4	1	**4**
Admin & Reporting	-	**48**	**56**	**486**
Office: Clinical reporting rooms		12	24	**288**
Office: Secretaries		6	16	**96**
Office: Section managers office		6	4	**24**
Office: Single with meeting space Senior clinical manager		12	1	**12**
Office: 12 person SpRs / ANPs		6	10	**60**
Reprographics		6	1	**6**
Meeting & Training Rooms	-	**120**	**2**	**120**
Seminar and training room		60	1	**60**
Training Suite		60	1	**60**
Group room: meeting 7 places (including 1 wheelchair place)		-	-	-
Staff Wefare Areas	-	**16**	**25**	**67**
Staff rest & mini-kitchen (size based on number of seats)		2	6	**11**
Rest and dining room				-
Informal Meeting / Social Supplement		8	2	**16**
Beverage and snack preparation bay				-
Refreshment: vending machine				-
WC: Independent wheelchairM/F		5	1	**5**
WC: ambulant		2	5	**10**
Locker bay: 12 small lockers		2	17	**26**
Pregnancy rest area				
Building Services	-	**58**	**4**	**273**
Disposal hold		24	1	**24**
Store: waste		11	1	**11**
IT Hub RoomDispersed		15	1	**15**
Cleaners' room		8	1	**8**
Mechanical Plantroom		175	1	**175**

Electrical switchroom		20	1	**20**
UPS		10	1	**10**
ICT		10	1	**10**
Courier Lobby	-	6	1	**6**
Entrance lobby		6	1	**6**
External Services				**28**
External store: gas cylinders		8	1	**8**
External store: bulk flammable goods		20	1	**20**
Net allowance				**1,689**
5% planning allowance				**84**
Total				**1,773**
Risers 3%				**53**
25% circulation allowance				**443**
TOTAL ALLOWANCE				**2,270**

Appendix D – Architects Test for Fit

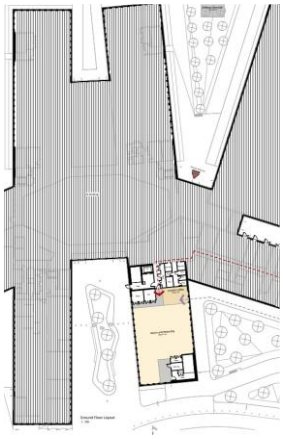
PENTRE AWEL

Recently completed (2025) building forming part of the first phase of the £220million Wellness Village.

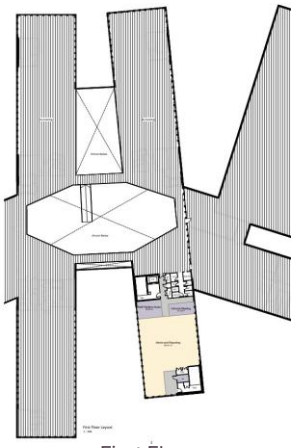
Zone 1 contains
- Research and development space
- A clinical delivery and research centre
  - Inc HDUHB Swansea University
- An education and training centre
  - Inc Swansea University
- Leisure Complex

Test for Fit

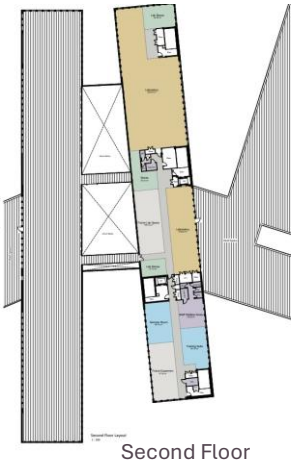
Approximately -200sqm future capacity – due to assumed plant locations on the roof



Ground Floor



First Floor



Second Floor

Key Architectural Considerations

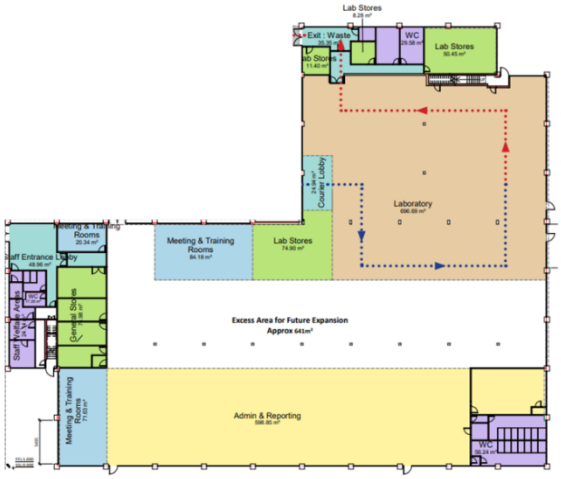
- Long and narrow footprint vs critical flows
- Occupies multiple levels – reducing flow and staff efficiency
- Staircores and lifts for other demised areas run vertically through the building splitting up the lab spaces.
  This will impact access/security control strategy and ventilation strategy & breaks the labs up into multiple zones
- Delivery access to site needs careful consideration, consider quantity of deliveries across shared access and current delivery locations
- Consideration around future equipment replacement (lift sizes, routes etc)
- Consideration around risks of spillages in transit in or around a mixed-use facility
  This is a very public facing building with public entering the leisure facility
- Legal/tenancy agreements around waste/drainage through other demises
- Raised access floors thought will need careful consideration around weights, spillages, ventilation containment
- Controlled and restricted parking aligned with space usage may not be enough
- HDUHB already have some facilities here
- Potential staff benefits around usage of leisure facility

SANDRINGHAM PARK

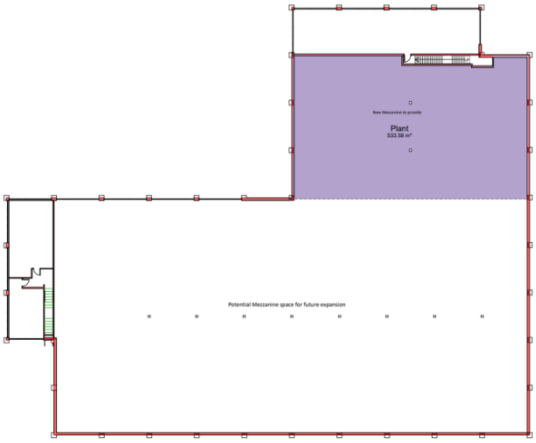
- The property comprises a self-contained detached office building constructed in the 1990s.
- Predominantly single storey building is “L” shaped in configuration and comprises ground and two smaller first floor offices.
- The building is of steel frame construction with a shallow pitched roof and brickwork elevations.
- There is good natural light through double glazed aluminium powder coated windows
- 152 car parking spaces

Test for Fit

Approximately - 640sqm future capacity, assuming new plant is on mezzanine



Ground Floor - Approx 2600sqm



First Floor - Approx 233sqm

Key Architectural Considerations

- Predominately single storey large open plan with significant flexibility, due to limited structural interventions
- Within reason this building can be designed to suit any lab arrangement
- Large ceiling voids in the main open space
- Opportunity to resolve dedicated entry points in and around the building
- Mix of ground bearing and raised access floors
- Sole occupancy with no shared tenancy.
- Dedicated car parking of circa 156
- Site is fully secured with controlled entry
- Potential for dedicated separated delivery routes and delivery parking
- Near existing Health board buildings – SBUHB Medical Records
- The space is larger than currently needed allowing for future expansion if required
- Plant space could be accommodated without new mezzanine but would remove future expansion capacity space
- Costs associated to repairs of existing fabric is a risk until further design is concluded
- Drainage to GF slab needs careful consideration

BAY CAMPUS

Test for Fit

All accommodation is comfortably achieved over GF & FF. Second floor will provide an overprovision of office accommodation when compared to SOA

Key Architectural Considerations

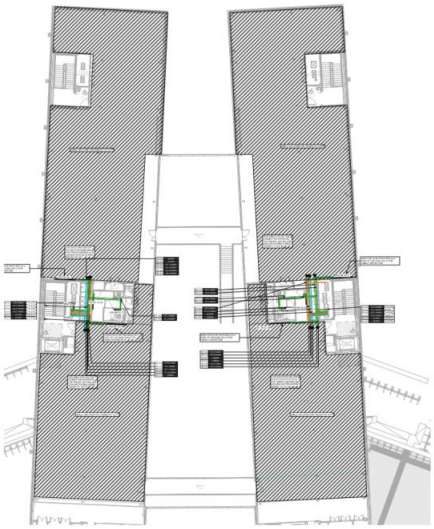
- The building infrastructure has been designed on the assumption of Labs and offices.
- The GF is already designed as research labs, all new lab requirements can fit on GF level
- Dedicated delivery route is provided to the rear of the building
- Car parking provisions would need to be considered due to modest provision compared to overall site
- Relatively minor changes required to building (predominately M&E)
- Potentially no changes required to FF and SF floors offices
- Potential shared usage of lecture/training facility
- Potential to fully secure own demise with no link to other tenants
- Naturally ventilated offices at first and second floor

Appendix E – M&E Findings

PENTRE AWEL

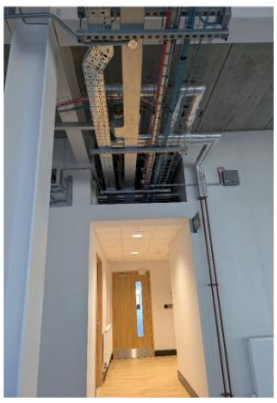
Mechanical Summary

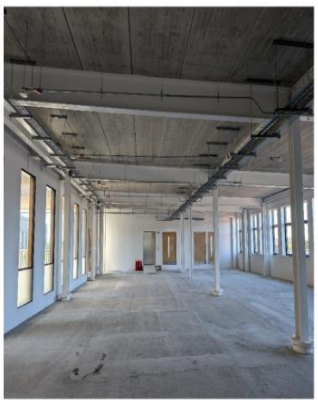
- Existing condition: Very good.
- Shell and core. New services required in tenant space.
- Incoming services deemed adequate as new build.
- Significant upgrades to drainage, domestic water services, ventilation and gas systems required.
- Roof plant space limited for addition of new AHUs. (Limited height; Planning permission.)
- Limited existing riser space for new distribution. New riser required affecting building structure.
- Existing heating and cooling supply to space is adequate for new layout.
- Fit out installation of new laboratory facility may be quicker timescale as shell and core.



Electrical Summary

- Existing condition: Very good.
- Incoming supply deemed adequate as new build.
- New secondary power supply required, visual impact of routing cables from different building.
- Shell and core. New services installations in tenant space (Lighting, Power, etc.).
- Limitations in existing riser space for additional services, potential new riser required.
- Congestion of services in central core corridor.
- Raised floor for floor boxes, opportunity for distribution





SANDRINGHAM PARK

Mechanical Summary

- Existing condition: Average to poor
- Full strip out of existing mechanical services
- New water mains supply required
- Gas pipework to be removed
- Minimal limitations, flexibility in the layout
- Opportunity for new plant and risers
- Require new systems such as dedicated AHUs for lab and general spaces
- New chemical resistant drainage
- New local process extract systems for labs

Electrical Summary

- Existing condition: Average to poor
- 2No. Existing incoming supplies from local substation potentially retained, resilience
- New secondary power supply required, less visual impact, proximity of unit
- Full strip out (Lighting, Fire, Security, Power)
- New switchgear including switchboard (WHTM)
- Opportunity for new plant and risers, such as new electrical switch room
- New primary containment required
- Opportunity for raised floor for floor boxes in offices

BAY CAMPUS

Mechanical Summary

- Existing condition: Good to Poor.
- Existing incoming services deemed adequate.
- Adequate space in existing risers, particularly the central risers.
- Salt corrosion of roof AHUs, but existing ventilation for labs needs replacement.
- New local process extract systems needed.
- Primary heating & cooling plant to remain, as landlord assets.
- Potential to retain radiators and natural vent in offices.
- Heating and cooling via Fan coil units or AHUs.
- Dedicated chemical resistant drainage for labs.

Electrical Summary

- Existing condition: Good to Poor.
- No access to electrical switch room and ceilings at time of visit. Switchboard (Form 4 type 6).
- Existing switchgear in good condition and can generally be retained.
- Existing incoming supply deemed adequate. Adequate space in existing electrical risers.
- New secondary power supply needed (full building load), visual impact, proximity.
- Potential to retain several services particularly in the office space with modifications (Power, Fire, Security).
- Upgrades and modifications in labs to suit.
- New lighting installation to suit layout.

TECHNICAL SUMMARY - ENGINEERING

Criteria	Pentre Awel	Sandringham Park	Bay Campus
Condition of existing MEP services	✓	✗	◐
Utilities	✓	✓	✓
Plant & Riser Space	✗	✓	◐
Drainage	✗	◐	◐
Domestic Water Service	◐	◐	◐
Heating & Cooling	✓	◐	✓
Ventilation	✗	◐	◐
Secondary Power Supply	✗	✓	✗
Existing Switchgear	◐	✗	✓
Electrical Distribution	✗	✓	◐
Lighting	✓	✓	◐
Power & Data	✓	✓	◐
Protective Services	✓	✓	◐
Live Site	✗	✓	✗

✓ = Strongly suitable / low risk
◐ = Partially suitable / design mitigation required
✗ = Not suitable / high risk or constraint

Appendix F – Workshop Agenda

Agenda		
Preliminaries		
09:30-09:40	Welcome and Introductions	Lee Davies
09:40-10:00	Background and Process Outline	Chris Fourie
Technical and Financial Evaluation		
10:00-11:00	Evaluation of Architectural Test for Fit, Process flows and Mechanical & Engineering reports *Session Goal: Present a summary of key points and considerations for each site and development risks.*	Adam Parry Hywyn Jones Sajjad Ali
11:00-11:30	Capital Cost Analysis (3 sites, and variant option) *Session Goal: Present indicative costs for developing all sites respectively.*	Ian Bailey Heather Edwards
11:30-12:00	Technical SWOT Analysis (Stage 1) *Session Goal: Complete a Technical SWOT on each site to provide a comparative analysis and reflect the information received, identify strengths and risks for each site.*	Chris Fourie
Lunch		
Non-Technical and Revenue Evaluation		
12:15-12:45	Non-Technical Service Evaluation *Session Goal: Present the overall score for each site as determined through the agreed non-technical, service led scoring process.*	Service Leads
12:45 -13:15	Revenue Affordability Assessments per site *Session Goal: Present the overview of revenue assumptions for each site, based on the financial analysis conducted with both Health Boards.*	Ian MacDonald Eldeg Rosser
13:15-13:45	Review SWOT (Stage 2) *Aim: To review the SWOT considering Non-Technical and Revenue data.*	Chris Fourie
Discussion and Decision		
13:45-15:00	Group Discussion *Session Goal: To reach a consensus decision on a preferred site.*	Chris Fourie
15:00-15:30	Next Steps and Close	Lee Davies

Appendix G – Workshop Attendees

Workshop Attendees		
Role/Area	**Swansea Bay**	**Hywel Dda**
Chair		Lee Davies, Executive Director of Planning
I.M	Steve Spill, Vice-Chair SBUHB	
Service	Richard Pryce, Associate Service Group Director Liz Humphries, Directorate Manager Chris Bowden, Cellular Pathology Service Manager	Dylan Jones, Head of Pathology Service Craig Baker, Cellular Pathology Service Manager
Clinical	Gareth Leopold, Consultant Histopathologist Dean Boyce, Consultant Plastic, Hand & Peripheral Nerve Surgeon	Bimali Ranathunga, Locum Pathologist
Capital , Finance and Estates	Ian MacDonald, Assistant Director of Finance Mark Parsons, Assistant Director of Capital Planning Heather Edwards Business Planning Manager Craig Davies, Head of Engineering	Eldeg Rosser, Head of Capital Planning Anwen Pearce, Capital Programme Manager Kevin Morgan, Major Capital Development Manager
Supporting Discussions		
NWSSP	Mark Gapper, Head of Engineering Andrew Nash, Principal Property Surveyor	
NHS Wales Performance & Improvement	Adam Christian, Clinical Lead, National Pathology Programme	
RJC PMO	Rose Turrell, Service Planning Manager Lucy Blackman, Senior Project Support Officer	
External Presenters/Facilitators		
Chris Fourie	Lifecycle Consulting and Session Facilitator	
Sam Shooter **Sajjad Ali**	Hoare Lea, Engineering Consultancy	
Ian Bailey	Gleeds, Cost Advisor	

Appendix H – SWOT Analysis