

Audit, Risk and Assurance Committee

- Draft Accounts

Tue 20 May 2025, 09:30 - 12:00

Microsoft Teams

Agenda

1. PRELIMINARY MATTERS

 1.0 ARAC 20250520 Agenda - Final.pdf (2 pages)

1.1. Welcome and Introductions

Oral Chair

1.2. Apologies for Absence

Oral Chair

1.3. Declarations of Interest

Oral Chair

1.4. Draft Minutes of the last Meeting held on 22 April 2025

Attached Chair

 ARAC 20250520 1.4 20250422 Minutes - APPROVED.pdf (10 pages)

1.5. Committee Action Log and Matters Arising

Attached Chair

 ARAC 20250520 1.5 20250422 Action Log - APPROVED.pdf (5 pages)

2. Items for APPROVAL/RATIFICATION/DECISION

2.1. To Receive the Audit Recommendation Tracking report and Approve the Quarter 4 Closing Position.

Attached Director of Corporate Governance

 ARAC 20250520 2.1 Internal_External Audit Recommendations Cover Report.pdf (10 pages)

 ARAC 20250520 2.1a Appendix A Completed Recommendations.pdf (6 pages)

 ARAC 20250520 2.1b Appendix B Revised Implementation Date Requests.pdf (5 pages)

 ARAC 20250520 2.1c Appendix C Remaining Recommendations.pdf (6 pages)

3. ITEMS FOR DISCUSSION

3.1.

To Review the Health Board's Annual Report (Overview & Performance Section) (Part 1)

Attached *Director of Corporate Governance*

 ARAC 20250520 3.1 Cover Report Annual Report ARAC.pdf (5 pages)

 ARAC 20250520 3.1 Final DRAFT Performance Report 2025 v1 VERSION TO BE UPDATED.pdf (47 pages)

3.2.

To Review Draft Accountability Report, including Annual Governance Statement (Part 2)

Attached *Director of Corporate Governance*

 ARAC 20250520 3.2 Draft Accountability Report 2024.25 v1.pdf (96 pages)

3.3.

To Review Draft Annual Accounts and Financial Statements (Part 3)

Attached *Director of Finance and Procurement*

 ARAC 20250520 3.3 2024-25 Draft Annual Accounts Report FINAL.pdf (23 pages)

 ARAC 20250520 3.3a ABULHB 2024-25 Draft Annual Accounts.pdf (79 pages)

3.4.

To Receive the Counter Fraud Annual Report

Attached *Head of Counter Fraud*

 ARAC 20250520 3.4 Annual Counter Fraud Report 2024_25 Cover Report.pdf (3 pages)

 ARAC 20250520 3.4a Counter Fraud Annual Report 2024-25.pdf (19 pages)

3.5.

To receive Audit Wales' report on No time to lose: Lessons from our work under the Well-being of Future Generations Act.

Attached *Audit Wales*

 ARAC 20250520 3.5 No_time_to_lose_Lessons_from_our_work_under_the_Well-being_of_Future_Generations_Act (1).pdf (58 pages)

3.6.

To Receive Aneurin Bevan Quality Governance Follow up Report

Attached *Audit Wales*

 ARAC 20250520 3.6 4693A2025 ABUHB Quality Governance Follow Up.pdf (27 pages)

3.7.

To Receive the Internal Audit Progress Report

Attached *Head of Internal Audit*

 ARAC 20250520 3.7 ABUHB May 2025 Audit Committee Progress Report.pdf (8 pages)

3.8.

To Receive Internal Audit Draft Opinion

Attached *Head of Internal Audit*

 ARAC 20250520 3.8 ABUHB Draft HIA Opinion and Annual Report 2024-25 v1.0.pdf (26 pages)

3.9.

To Receive the Internal Audit 2025/26 audit plan including the three-Year Plan

Attached

Head of Internal Audit

-  ARAC 20250520 3.9 ABUHB Draft Internal Audit Plan 2025-26 v1.5 (post ARAC).pdf (27 pages)
-  ARAC 20250520 3.9a ABUHB 3 Year Plan 2025.pdf (2 pages)
-  ARAC 20250520 3.9b ABUHB Domain and Assurance Comparison 12.05.2025.pdf (1 pages)
-  ARAC 20250520 3.9c ABUHB May 2025 Audit Theme and Risk Analysis by Recommendations.pdf (1 pages)

3.10.

To Receive Internal Audit Review Reports.

3.10.1.

Heath Board Manged Practices – Reasonable Assurance

Attached

Head of Internal Audit

-  ARAC 20250520 3.10 ABUHB-2425-27 Managed Practices Final Internal Audit Report issued 09.05.25.pdf (11 pages)

4.

Items for INFORMATION

4.1.

Committee Programme of Business 2025/26

Attached

Director of Corporate Governance

-  ARAC 20250520 4.1 Audit, Risk and Assurance Committee Forward Work Plan Cover Report.pdf (3 pages)
-  ARAC 20250520 4.1a ARA Committee Work Programme 2025-26 Final.pdf (7 pages)

5.

OTHER MATTERS

5.1.

Items to be Brought to the Attention of the Board and Other Committees

Oral

Chair

5.2.

Any Other Urgent Business

Oral

Chair

5.3.

Date of the Next Meeting: Tuesday 24th June 2025

Oral

Chair

AUDIT, RISK & ASSURANCE COMMITTEE AGENDA

Date and Time

Tuesday 20th May 2025 at 09:30

Venue

Microsoft Teams

Item	Title	Format	Presenter
1	PRELIMINARY MATTERS		
1.1	Welcome and Introductions	Oral	Chair
1.2	Apologies for Absence	Oral	Chair
1.3	Declarations of Interest	Oral	Chair
1.4	Draft Minutes of the last Meeting held on 22 April 2025	Attached	Chair
1.5	Committee Action Log and Matters Arising	Attached	Chair
2	ITEMS FOR APPROVAL/RATIFICATION/DECISION		
2.1	To Receive the Audit Recommendation Tracking report and Approve the Quarter 4 Closing Position.	Attached	Director of Corporate Governance
3	ITEMS FOR DISCUSSION		
3.1	To Review the Health Board's Annual Report (Overview & Performance Section) (Part 1)	Attached	Director of Corporate Governance
3.2	To Review Draft Accountability Report, including Annual Governance Statement (Part 2)	Attached	
3.3	To Review Draft Annual Accounts and Financial Statements (Part 3)	Attached	Director of Finance and procurement
3.4	To Receive the Counter Fraud Annual Report	Attached	Head of Counter Fraud
3.5	To receive Audit Wales' report on No time to lose: Lessons from our work under the Well-being of Future Generations Act.	Attached	Audit Wales



3.6	To Receive Aneurin Bevan Quality Governance Follow up Report	Attached	
3.7	To Receive the Internal Audit Progress Report	Attached	Head of Internal Audit
3.8	To Receive Internal Audit Draft Opinion	Attached	
3.9	To Receive the Internal Audit 2025/26 audit plan including the three-Year Plan	Attached	
3.10	To Receive Internal Audit Review Reports. - Heath Board Manged Practices - Reasonable Assurance	Attached	
4	ITEMS FOR INFORMATION		
4.1	Committee Programme of Business 2025/26	Attached	Director of Corporate Governance
5	OTHER MATTERS		
5.1	Items to be Brought to the Attention of the Board and Other Committees	Oral	Chair
5.2	Any Other Urgent Business	Oral	Chair
5.3	Date of the Next Meeting: Tuesday 24 th June 2025		

Motion to Exclude Members of the Public and the Press

There may be circumstances where it would not be in the public interest to discuss a matter in public. In such cases the Chair shall move the following motion to exclude members of the public and the press from the meeting:

"Representatives of the press and other members of the public shall be excluded from the remainder of this meeting having regard to the confidential nature of the business to be transacted, publicity on which would be prejudicial to the public interest".

Motion under Section 1(2) Public Bodies (Admission to Meetings) Act 1960





CYFARFOD BWRDD IECHYD PRIFYSGOLN ANEURIN BEVAN/ANEURIN BEVAN UNIVERSITY HEALTH BOARD MEETING MINUTES OF THE AUDIT RISK & ASSURANCE COMMITTEE

DATE OF MEETING	Tuesday 22 April 2025
VENUE	Microsoft Teams

PRESENT	Iwan Jones - Committee Chair – Independent Member Dafydd Vaughan - Independent Member Neil Patrick - Independent Member
IN ATTENDANCE	Rob Holcombe - Director of Finance and Procurement Lucy Windsor - Head of Corporate Risk and Assurance Robert Jones - Assistant Finance Director Stephen Chaney – Head of Internal Audit, NWSSP Eifion Jones – Deputy Head of Internal Audit, NWSSP Sara Utey - Performance Audit Lead, Audit Wales Julie Rees - Finance Audit Lead, Audit Wales David Butler – Senior Auditor, Internal Audit, NWSSP Bryony Codd – Head of Corporate Governance Jennifer Winslade – Director of Nursing (<i>Item 3.13</i>) Richard Morgan Evans – Deputy Chief Operating Officer (<i>Item 3.10c and 3.14</i>) Sarah Simmonds – Director of Workforce and Organisational Development (<i>Item 3.10a</i>) Anne Beegan – Auditor, Audit Wales (<i>Item 3.14</i>) Danielle Jackson – Secretariat
OBSERVING	None to Note
APOLOGIES	Richard Clark - Committee Vice Chair - Independent Member Rani Dash - Director of Corporate Governance

Minute Reference	Preliminary Matters
ARAC 2204/01	Welcome and Introductions The Chair welcomed everyone to the meeting.
ARAC 2204/02	Apologies for Absence Apologies were noted.



ARAC 2204/03	Declarations of Interest There were no declarations of interest raised at this point. During item 2204/19 Dafydd Vaughn, Independent Member, declared an interest in respect of the 'Ask Annie' feasibility study and refrained from discussion.
ARAC 2204/04	Minutes of the previous meeting The minutes of the meeting held on the 18 February 2025 were agreed as a true and accurate record.
ARAC 2204/05	Committee Action Log The Committee reviewed the action log, noting actions that had been completed, those in progress, and those not yet due. The Committee discussed the updated Records Management Internal Audit Report and expressed concerns regarding the slow progress of the digitalisation project and whether the actions addressed the items raised in the audit report and went far enough in mitigating the associated risks, including potential damage to records from fire or theft and the reputational harm that could result. The Committee requested that a further review of the Health Board's approach to addressing records management issues be undertaken presented at the next Committee meeting to assess whether Board support was necessary to better support on-going records management issues including e.g. to secure a storage facility that would safeguard paper records. ACTION: Director of Digital The Committee AGREED to remove completed actions from the Action Log.
ITEMS FOR APPROVAL / RATIFICATION / DECISION	

ARAC 2204/06	Financial Governance Report and Changes to Financial Capital Procedures (FCPs) Rob Jones (RJ), Assistant Finance Director, provided an update on financial governance. The Committee was informed that four Financial Capital Procedures (FCPs) had been reviewed and minor amendments made. • Charitable Funds • Digital • Approving Orders Greater than 100k • Overseas Visitors Neil Patrick (NP), Independent Member, inquired about the success of recovering payments from overseas visitors compared to other Health Boards. Rob Holcombe (RH), Director of Finance and Procurement, confirmed that recoveries were similar to other Health Boards, with the main obstacle being identifying which patients were required to pay. The Committee NOTED the Financial Governance Report and APPROVED the amendments to the four FCPs.
ITEMS FOR DISCUSSION	
ARAC 2204/07	Use of Single Tender Action (STA) Rob Jones (RJ), Assistant Finance Director, presented the report on Single Tender Actions (STAs) approved between 25th January 2025 to 1st April 2025. The Committee was informed that 10 requests were submitted and approved during that period, with a total annual value of £367,739.56 (excluding VAT). Nine were classified as technical compatibility issues, and one was an interim agreement prior to joining an all-Wales Collaborative Agreement. The Committee NOTED the Single Tender Action Report.
ARAC 2204/08	2024/25 Single Tender Action self-assessment summary. Rob Jones (RJ), Assistant Finance Director, presented the committee with an overview of the Single tender action self-assessment It was reported that an increase in single tender action is projected for the upcoming financial year 2025/26 due to the likelihood of STAs being required to maintain warranty from an original supplier for maintenance of plant and machinery now transferred. It was noted that at present there is no benchmark data to ascertain of performance of the <1% of spend going through STAs in appropriate however work is ongoing to seek benchmark data for the forthcoming report. The Committee agreed that comparisons would be beneficial.



	The Committee NOTED the Single Tender Action self-assessment Report.
ARAC 2204/09	Report of Losses and Special Payments Rob Jones (RJ), Assistant Finance Director, provided an update on losses and special payments made by the Health Board between 1st April 2024 and 28th February 2025. It was reported that the total losses recorded were £15.0 million, of which £13.0 million is recoverable from the Welsh Risk Pool (WRP), resulting in an actual loss of £2.0million for the Health Board. The Committee NOTED the report.
ARAC 2204/10	Response to Audit Wales as part of the 2024/25 Annual Accounts process Rob Jones (RJ), Assistant Finance Director, provided an overview of the Health Board's response to Audit Wales' enquiries. The Committee NOTED the report.
ARAC 2204/11	Review the Committee Terms of Reference Bryony Codd (BC) presented an overview of the updated Committee Terms of Reference (TORs). It was noted that no material amendments had been made, only dates updated. The Committee ENDORSED the updated TORs for submission to the Board in May.
ARAC 2204/12	Draft Committee Annual Report 2024/25 including review of Committee Effectiveness 2024/25 Bryony Codd (BC), Head of Corporate Governance, provided an overview of the Draft Annual Report. Iwan Jones (IJ), Committee Chair, praised the overall quality of the report and requested an editable copy to make minor adjustments before its presentation to the Board in May. The Committee ENDORSED the Annual Report for submission to the Board.
ARAC 2204/13	Full Report of all Offers of Gifts and Hospitality as Declared Bryony Codd (BC), Head of Corporate Governance provided an overview of the Gifts and Hospitality declared during 2024/25. It was noted that the Board approved a revised Business Conduct Policy in September 2024, and work had been undertaken to develop a new process for populating the declarations register using Microsoft forms. The Committee NOTED the report.
ARAC 2204/14	Committee Risk and Assurance Report Lucy Windsor (LW), Head of Corporate Risk and Assurance, provided an



update on the Health Board's strategic risks, including the annual review of the Risk Management Framework.

Since the previous Committee meeting, there had been one change to the Strategic Risk Register. The risk score for SRR 001G – Failure to deliver a sustainable financial position and longer-term financial plan – had been reduced due to the likelihood of the risk materialising moving from 'Almost Certain' to 'Likely'.

Neil Patrick (NP), Independent Member, queried the rationale behind this decrease. LW confirmed that the Health Board's financial deficit position had improved following additional funding of £40.5 million from the Welsh Government.

Dafydd Vaughan (DV), Independent Member, requested whether the previous risk on the stability of the Board should be reinstated, considering the current gaps in the Independent Members, the temporary Vice Chair, and the imminent end of the Chair's tenure. LW reassured the Committee that this was being discussed with the Director of Corporate Governance and if considered a strategic risk, would be put forward for Board approval in May.

The Committee:

- **NOTED** the report for assurance;
- **ENDORSED** the reduction in likelihood for SRR 001G for onward approval; and,
- **APPROVED** the minor changes made to the Risk Management Framework on behalf of the Board. The Board would be informed of the Committee's approval via the Assurance Report to the Board.

**ARAC
2204/15**

Internal Audit Progress Report

Stephen Chaney (SC), Head of Internal Audit, reported on the progress of the Internal Audit Plan for 2024-25.

Approval to defer the Capital Systems (Focus on the Decontamination Unit) and Welsh Intensive Care Information System (WICIS) audits from the 2024-25 plan to 2025-26 were requested.

Dafydd Vaughan (DV), Independent Member, raised concerns about the implementation of WICIS due to safety issues without an audit being completed prior to its implementation. Rob Holcombe (RH), Director of Finance and Procurement, queried the possibility of Internal Audit conducting a linked audit with Digital Health and Care Wales (DHCW) and the Health Board. SC agreed to explore the feasibility of a dual audit.



	The Committee NOTED the Internal Audit Progress Report and APPROVED the deferral of the two internal audits.
ARAC 2204/16	Internal Audit 2025/26 Annual Workplan Stephen Chaney (SC), Head of Internal Audit, provided an overview of the Internal Audit Plan for 2025/26. The Committee discussed recent events related to Mortuary and Care After Death Services in detail and suggested that a further audit be completed towards the end of the year. Jennifer Winslade (JW), Director of Nursing, reassured the Committee of ongoing efforts to ensure lessons were learned from past events and that improvements had been and continued to be implemented. Dafydd Vaughn (DV), Independent Member, suggested deferring the Discharge Planning Audit to later in the year due to a recent Audit Wales review, allowing more time for progress to be made. This suggestion was supported by the Chair. SC confirmed that amendments would be made to the Plan following the committee's feedback and brought back to the next meeting. Iwan Jones (IJ), Committee Chair, requested sight of the Internal Audit three-year plan for greater oversight of the longer-term plan to ensure a balanced and priority-based approach. SC agreed to provide the three-year plan at the next Committee meeting. ACTION: Head of Internal Audit The Committee ENDORSED the 2025/26 Internal Audit Plan.
ARAC 2204/17	Internal Audit Reports Stephen Chaney (SC), Head of Internal Audit, presented the findings from the following audits: Embedding of Policies "Speaking Up Safely" – Limited Assurance The review assessed whether the "Speaking Up Safely, a framework for the NHS in Wales" had been fully implemented. It focused on the Health Board's previous process for handling speaking up safely concerns, with a new process introduced in December 2024. A further audit on the new process had been scheduled in the 2025/26 internal audit plan. Sarah Simmonds (SS), Director of Workforce and Organisational Development, informed the Committee that the framework had been released hastily due to circumstances at the time, and work remained ongoing to address gaps. Since December 2024, 15 cases had been raised, with 14 acknowledged within two days against a target of seven days; one was delayed due to the Christmas period. Monitoring the effectiveness of the new process would continue.



Dafydd Vaughn (DV), Independent Member, emphasised the importance of revisiting the audit within the year to ensure the process was effective.

Iwan Jones (IJ), Committee Chair, raised concerns about staff survey outcomes related to comfort in raising/reporting issues and queried the opportunity for benchmarking to determine if the new process was improving this. He suggested that the report be taken to the People and Culture Committee meeting. SS confirmed that data would come from the staff survey and other learning opportunities.

Divisional Governance Arrangements – Reasonable Assurance

The review assessed governance arrangements within the Primary Care and Community Division. Recommendations included implementing policies for escalating issues, providing guidance for risk assessment, and tracking escalated risks.

Mental Health and Learning Disabilities – Reasonable Assurance

The review focused on the 90-day Plan for the Division.

Recommendations included strengthening governance structures, increasing focus on timely action implementation, and incorporating specific timelines for accountability.

Richard Morgan Evans (RME), Deputy Chief Operating Officer, informed the Committee that the 90-day plan was incorporated at a specific point in time when the performance management framework was less robust.

IJ, highlighted that the improvements made within the division were very clear and the report was a credit to the work that had been completed. IJ suggested that the Board receive the report for information at the next Board meeting.

ACTION: Secretariat

Maternity Services Improvement Plan – Reasonable Assurance

The review tracked actions from a commissioned review of maternity services. Recommendations included assigning key individuals to actions, defining completion dates, and identifying third-party support.

Staff Survey – Reasonable Assurance

The review focused on the actions underway to influence change following the Employee Experience Survey (staff survey) results.



	IJ, queried whether there were any concerns surrounding the ceasing of the staff survey and suggested sharing the report with the People and Culture Committee. Grange University Hospital (GUH) Emergency Department (ED) Extension – Reasonable Assurance The audit was undertaken to review the management arrangements established to progress the extension of the GUH ED. IJ, raised concerns about the recurring issue of inadequate governance arrangements across all project reviews. Rob Holcombe (RH), Director of Finance and Procurement, proposed that the audit be revisited with management to identify strategies for improvement and prevent similar issues in future projects and would take this forward with Internal Audit and the Director of Strategy, Planning and Partnerships. ACTION: Director of Finance and Procurement The Committee NOTED the reports for Assurance.
ARAC 2204/18	Audit Wales Progress Report 2024/25 Sara Utley (SA), Performance Audit Lead, reported on the progress of the 2024/25 External Audit Plan. The audit of accounts was scheduled to commence in the next couple of weeks, with results anticipated in June 2025. Additionally, planning for the Charitable Funds Accounts 2024-25 was set to begin. The Committee NOTED the report for Assurance.
ARAC 2204/19	Audit Wales 2025/26 Annual Plan Julie Rees (JR), Finance Audit Lead, provided an overview of the Plan for 2025/26, significant risks identified, were noted as management override, fraud in relation to revenue and expenditure, and failure to meet financial duties to break even. Sara Utley (SA), Audit Wales, informed the Committee of a change in focus for the local project work, which would now focus on a review of outpatient follow up arrangements. The Committee NOTED the report.
ARAC 2204/20	Audit Wales' Review of Discharge Planning (Health Board) Anne Beegan (AB), Audit Wales, provided an overview of the Audit Wales' Review of Discharge Planning. Five recommendations for improvement were made, including training and sharing of information. Jennifer Winslade (JW), Director of Nursing, reassured the Committee that work remained ongoing to improve discharge planning, including reviewing the model for discharge, investigating an electronic system for additional support, conducting a feasibility study on the "Ask Annie" app, and upskilling staff with training on balancing rights and responsibilities.



	Dafydd Vaughn (DV), Independent Member, declared a Declaration of Interest and refrained from discussion owing to his wife's involvement in the feasibility study for the "Ask Annie" system. The Committee NOTED the report.
ARAC 2204/21	Audit Wales' Review of Patient Flow out of Hospital (Gwent Partnership) Anne Beegan (AB), Audit Wales, provided an overview of the report which focused on patient flow in both Health and Social Care systems and had been shared with the five local authority partners. Areas for improvement included training and guidance on discharge planning, embedding a seven-day approach to discharge, and clarifying roles and responsibilities in relation to informal over-prescribing of care packages. Jennifer Winslade (JW), Director of Nursing, provided a position update since the audit, noting a reduction in pathway care delays and improved weekend discharges. Dafydd Vaughn (DV) inquired about poor figures for Monmouthshire compared to other areas. JW explained that Monmouthshire had a smaller Complex Care Team, which had now been improved, and differences in the finance process occasionally resulted in delays. Robert Holcombe (RH) queried the next steps for the report from an Audit Wales perspective, noting a lack of executive leadership within local authorities. AB confirmed that the report would be presented to each of the five local authorities' governance Committees, with focus and oversight managed through the Regional Partnership Board. The Committee NOTED the report.
ARAC 2204/22	Audit Wales' Review of Cancer Services in Wales Sara Utley (SA), Audit Wales, provided an overview of the Audit Wales' Review of Cancer Services in Wales. The report focused on the examination of the national strategic approach rather than a Health Board-specific arrangement. Work was ongoing to develop a thematic review of cancer services within the Health Board, scheduled for delivery in 2025/26. Dafydd Vaughn (DV) highlighted areas where digital solutions had caused delays and inquired if these systems would be covered in the informatics review of digital delivery in NHS Wales. SU would seek clarification and confirm via email. ACTION: Performance Audit Lead The Committee NOTED the report.



Items for Information	
ARAC 2204/23	Review of Committee Programme of Business 2025/26 Lucy Windsor (LW), Head of Corporate Risk and Assurance, provided an update on the Committee Programme of Business 2025/26. The Committee NOTED the report for information.
Other Matters	
ARAC 2204/24	Items to be Brought to the Attention of the Board and Other Committees The following Internal Audit Reports were recommended to be taken to the responsible Committee for information: People and Culture Committee: • Embedding of Policies "Speaking Up Safely" Report – Limited Assurance • Staff Survey Report – Reasonable Assurance Patient, Quality, Safety and Outcomes Committee: • Audit Wales' Review of Patient Flow out of Hospital Board: • Mental Health and Learning Disabilities – Reasonable Assurance The Committee also recommended that the Records Management Limited Assurance Internal Audit be escalated to the Board due to the risks associated with the pace of digitising medical records. The escalation aimed to look at the current proposed and alternative solutions to issues raised as part of the audit .
ARAC 2204/25	Any Other Urgent Business • Nothing reported.
ARAC 2204/26	Date of the next meeting Tuesday 20th May 2025 (Draft Accounts)



**CYFARFOD BWRDD IECHYD PRIFYSGOLN ANEURIN
BEVAN**

**Audit Risk and Assurance ANEURIN BEVAN UNIVERSITY
HEALTH BOARD MEETING**

Outstanding	In Progress	Not Due	Completed	Transferred to another Committee

Committee Meeting	Minute Reference	Agreed Action	Lead	Target Date	Progress/ Completed
February 2025	ARAC 11802/05 Committee Action Log – Job Planning	Provide a Job Planning update report, including visual representations comparing current compliance against the projected trajectory.	Medical Director	September 2025	Not Due
February 2025	ARAC 11802/05 Committee Action Log – Clinical Audit	Provide a summary of progress against national and local audit alongside the next report provided to the Audit Committee.	Medical Director	December 2025	Not Due



CYFARFOD BWRDD IECHYD PRIFYSGOLN ANEURIN
BEVAN
ANEURIN BEVAN UNIVERSITY HEALTH BOARD
ACTION LOG

Committee Meeting	Minute Reference	Agreed Action	Lead	Target Date	Progress/ Completed
February 2025	ARAC 11802/13 Internal Audit Reports	End of Life Care – Reasonable Assurance Report to be reviewed, updated and returned to the committee with numerical completion dates.	Internal Audit / Director of Nursing	22 April 2025	Completed The overall position was that family processes / engagement and training had been completed, and the remaining actions will be completed within 12 months, as it requires some fundamental change throughout the Health Board.
April 2025	ARAC 2204/05 Action Log – Records Management Internal Audit Update	Produce a detailed project plan/report in relation to the management of records, to assess whether Board support was necessary to secure a storage facility that would safeguard paper records.	Director of Digital	20 th May 2025	Completed Board Development session focusing on records management scheduled for June 2025, Task and finish group has been setup



**CYFARFOD BWRDD IECHYD PRIFYSGOLN ANEURIN
BEVAN**
ANEURIN BEVAN UNIVERSITY HEALTH BOARD
ACTION LOG

Committee Meeting	Minute Reference	Agreed Action	Lead	Target Date	Progress/ Completed
					to ensure the actions identified in the audit are progressed in a timely manner
April 2025	ARAC 2204/14 Internal Audit Annual Plan 2025/26	Present the three-year Internal Audit Plan at the next scheduled committee meeting.	Head of Internal Audit	20 th May 2025	Completed Scheduled to be presented at May 2025 meeting.
April 2025	ARAC 2204/15 Grange University Hospital Emergency Department Extension – Internal Audit Report	Schedule a meeting to discuss the GUH ED Extension Audit to identify strategies for improvement and prevent similar issues in future projects.	Director of Finance and Procurement	20 th May 2025	Outstanding
April 2025	ARAC 2204/17 Mental Health and Learning Disabilities – Reasonable	Share Mental Health and Learning Disabilities Internal Audit with Board for information.	Secretariat	20 th May 2025	Completed Linked within assurance report document.



Committee Meeting	Minute Reference	Agreed Action	Lead	Target Date	Progress/ Completed
	Assurance				
April 2025	ARAC 2204/18 Audit Wales' Review of Cancer Services in Wales	Confirm via email whether digital systems highlighted within the cancer services report will be covered within the informatics review of digital delivery in NHS Wales.	Performance Audit Lead, Audit Wales	20 th May 2025	Completed The digital review will assess whether Health Bodies have the necessary arrangements to support and embed effective and safe digital transformation, rather than focusing on specific systems. Part 2, scheduled for Autumn, will concentrate on Digital Healthcare Wales's system leadership role.



All actions in this log are currently active and are either part of the Committee's forward work programme or require more immediate attention, such as an update on the action or confirmation that the item scheduled for the next Committee meeting will be ready.

Once the Committee is assured that an action is complete, it will be removed. This will be agreed upon at each Committee meeting.

DYDDIAD Y CYFARFOD: DATE OF MEETING:	20 May 2025
CYFARFOD O: MEETING OF:	Audit, Risk and Assurance Committee
TEITL YR ADRODDIAD: TITLE OF REPORT:	2024/25 End of Year Closing Position of the Internal and External Audit Recommendation Tracker
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Director of Corporate Governance
SWYDDOG ADRODD: REPORTING OFFICER:	Head of Corporate Risk and Assurance

Pwrpas yr Adroddiad (dewiswch fel yn addas)

Purpose of the Report (select as appropriate)

Ar Gyfer Penderfyniad/For Decision

ADRODDIAD SCAA SBAR REPORT

Sefyllfa / Situation

This report provides the Audit Risk and Assurance Committee (the Committee) with a comprehensive overview of the current status of all identified internal and external audit recommendations as at the end of the 2024/25 financial year.

The report also updates the Committee on the progress made since the last reporting period, highlighting recommendations with revised deadlines, those that remain outstanding and those that have been completed.

Cefndir / Background

This report was last presented to the Committee in February 2025, the report covered the position up to the end of quarter 3 (01 October – 31 December). At that meeting the Committee approved the following position:

- **56** recommendations were completed;
- **31** recommendations had their timeframes revised; and,
- **2** recommendations remained overdue.

This resulted in a total of **89 live recommendations** on the Audit Tracker.



Internal and External Audit Recommendation Tracking

At the end of quarter 4 (01 January – 31 March), the audit recommendations tracker contained a total of **104** live recommendations, comprising **89** existing recommendations and an additional **15** new recommendations arising from **four** audits presented at the February meeting.

To provide the Committee with a clear end-of-year position, updates were requested against the **89** existing recommendations. This excludes those received at the February meeting, as it would be unreasonable to expect progress updates on recommendations issued only a few weeks before the reporting period closed. However, for transparency, these recent recommendations have been acknowledged in the report.

Table 1 below presents a breakdown of the **89** recommendations requiring updates, grouped by Lead Director responsibility.

Table 1

Lead Director	Chief Operating Officer	Director of Corporate Governance	Director of Digital	Director of Finance and Procurement	Director of Nursing	Director of Public Health	Director of Strategy, Planning & Partnerships	Director of Workforce	Director of allied health professionals	Total
Total number of updates requested	29	5	23	6	10	6	3	4	3	89

The position reported in Table 2 reflects updates provided by Lead Directors in relation to their assigned live recommendations. Based on this information, the Committee is asked to

- **Approve** the completion of **35** recommendations;
- **Approve** **24** revised implementation deadlines;
- **Note** the **8** Overdue against their agreed implementation dates; and,
- **Note** the **22** Not Yet Due against their agreed implementation dates.

Table 2

Lead Director	Chief Operating Officer	Director of Corporate Governance	Director of Digital	Director of Finance and Procurement	Director of Nursing	Director of Public Health	Director of Strategy, Planning & Partnerships	Director of Workforce	Director of allied health professionals	Total
Completed	13	1	6	4	2	4	2	1	2	35
Revised Deadline	5	4	5	2	1	2	1	3	1	24
Overdue	1	-	1	-	6	-	-	-	-	8
Not yet due	10	-	11	-	1	-	-	-	-	22
Total	29	5	23	6	10	6	3	4	3	89



The summary data presented in Table 2 is further broken down in Tables 3 to 5, as outlined below:

- **Table 3:** Provides a summary of the 35 recommendations confirmed as completed. (Refer to Appendix A for full details.)
- **Table 4:** Sets out the 24 recommendations with revised deadlines. (Refer to Appendix B for full details.)
- **Table 5:** Lists the 30 remaining live recommendations that are in progress. (Refer to Appendix C for full details.)

Table 3

Completed Recommendations			
Audit Year and Title	Assurance Rating	Number by Priority Rating	
2020 IM&T Control & Risk Assessment	Not Rated	1	
2021 Mental Health & Learning Disabilities Divisional Review	Reasonable	1	
2021 Audit of Accounts Report (Addendum issued December 2021)	Not Rated	1	
2022 Monitoring Action Plans	Reasonable	1	
2022 Development of a Regional Radiotherapy Satellite Centre at NHH	Reasonable	1	
2023 Putting Things Right; Final Advisory Review	Reasonable	1	
2023 Clinical Coding; Final Internal Audit Report	Reasonable	1	
2023 Integrated Performance Dashboard Data Quality	Substantial	1	
2023 Risk Management	Reasonable	1	
2023 Review of Workforce Planning Arrangements	Not Rated	1	
2023 Medical Equipment & Devices - Ultrasound	Reasonable	2	
2023 Intra-Site Patient Transfers	Reasonable	1	
2023 Waiting List Management	Reasonable	2	1
2023 Development of a Regional Radiotherapy Satellite Centre at NHH	Reasonable	1	
2023 Providing Care to Asylum Seekers and Refugees	Reasonable	1	
2023 Newport East Health and Wellbeing Centre	Reasonable	3	1
2023 Theatre Stocks	Reasonable	1	
2024 Energy Management	Reasonable	2	3
2024 NHH: Reinforced Autoclaved Aerated Concrete	Reasonable	1	
2024 Structured Assessment	Not Rated	1	



2024 Review of Cost Savings Arrangements	Not Rated	3			
2024 Intelligence Led Organisation	Reasonable	2			
TOTAL		6	15	9	5
		35			

Table 4

Recommendations with Revised Deadlines					
Audit Year and Title	Assurance Rating	Number by Priority Rating			
2020 IM&T Control & Risk Assessment	Not Rated	1			
2021 Audit of Accounts Report (Addendum issued December 2021)	Not Rated	1			
2021 Facilities - Care After Death	Reasonable	1			
2021 Primary Care	Not Rated	1			
2022 Records Management	Limited	1	1		
2022 IT Strategy	Reasonable	2			
2022 Tredegar Health and Wellbeing Centre	Limited	1			
2022 Integrated Wellbeing Networks	Reasonable	1			
2022 Dementia Services	Reasonable	1			
2022 Structured Assessment	Not Rated	1			
2023 Facilities Jan	Limited	2			
2023 Structured Assessment	Not Rated	1	2		
2023 Review of Workforce Planning Arrangements	Not Rated	2			
2023 Medical Equipment & Devices - Ultrasound	Reasonable	1			
2023 Waiting List Management	Reasonable	1			
2023 Newport East Health and Wellbeing Centre	Reasonable	1			
2024 Structured Assessment	Not Rated	1			
2024 Review of Cost Saving Arrangements	Not Rated	1			
TOTAL		6	11	2	5
		24			



For completeness, **Table 5** includes the **15** recommendations received at the February meeting, ensuring full visibility of all live recommendations on the tracker up to the end of March.

Table 5

Overdue and Not Yet Due Recommendations Against the Tracked Implementation Date					
Audit Year and Title		Assurance Rating	Number by Priority Rating		
Overdue					
2022 Records Management		Limited	1		
2022 Discharge Planning		Limited	1	2	
2022 Dementia Services		Reasonable	2		
2022 Structured Assessment		Not Rated	1		
2024 NHH: Reinforced Autoclaved Aerated Concrete		Reasonable	1		
Total			8		
Not Yet Due					
2018 Structured Assessment		Not Rated	1		
2020 IM&T Control & Risk Assessment		Not Rated	4		
2021 Pathology		Reasonable	1		
2021 IT System Controls (WRIS)		Reasonable	6		
2022 Dementia Services		Reasonable	1		
2023 Clinical Coding		Reasonable	1		
2023 Facilities		Limited	1		
2023 IT Infrastructure		Reasonable	3	2	
2023 Providing Care to Asylum Seekers and Refugees		Reasonable	2		
TOTAL			22		
February’s Audit Recommendations Not Called for Update					
2024 Records Management		Limited	4	4	
2024 Declaration of Interest		Reasonable	2		
2024 Intelligence Led Organization		Reasonable	1	3	3
2024 End of Life Care		Reasonable	2		
Total			15		
Total’s Combined			45		



Following the agreed removal of the **35 completed actions** and the approval of **24 extension requests, 54 recommendations** will remain live on the tracker, in addition to the **15 recommendations** from February's audits, bringing the total number of live recommendations to **69** at year end.

Of the **69, 54** recommendations fall within the permitted extension threshold of two deadline revisions. The remaining **15** recommendations exceed this threshold, indicating a need for closer scrutiny and potential escalation. Further detail on these recommendations is provided in Table 6 and 7 below.

Table 6

Deadline position	Total number of Recommendations
Original Deadline	6 (+15 February)
1 st Extension	11
2 nd Extension	22
Total Number within the Threshold	39
3 rd Extension	10
4 th Extension	3
5 th Extension	1
6 th Extension	0
7 th Extension	1
Total Number Outside the Threshold	15
Overall Total	69

The **15** recommendations that fall outside the extension threshold are taken from the following reports and

Table 7

Recommendations Outside of Agreed Deadline Extension Threshold			
Audit Year and Title	Assurance Rating	Number by Priority Rating	Number of Extensions Requested
2020 IM&T Control & Risk Assessment	Not Rated	5	1 x 7 th Extension 1 x 5 th Extension 2 x 4 th Extension 1 x 3 rd Extension
2021 Pathology	Reasonable	1	3 rd Extension
2021 IT System Controls (WRIS)	Reasonable	4	All on 3 rd Extension
2021 Facilities - Care After Death	Reasonable	1	3 rd Extension
2022 Structured Assessment	Not Rated	1	3 rd Extension
2022 IT Strategy	Reasonable	2	Both on 3 rd Extension
2022 Tredegar Health & Wellbeing Centre	Limited	1	4 th Extension
Total		15	



Conclusion

During 2024/25, significant and sustained progress has been made in strengthening the management of audit recommendations. A focused effort has been made to ensuring timely implementation, with particular attention given to longstanding recommendations (pre-2022) and those exceeding the agreed extension threshold. This targeted approach has contributed to a more robust and accountable system of oversight. At the close of 2024/25, the Audit Tracker reflects a notable improvement, with 69 live recommendations, including just 16 longstanding actions. This marks a significant reduction from the position at the end of 2023/24, when there were 106 live recommendations, of which 31 were longstanding.

It is important to note that the number of 'live' recommendations is subject to continual change due to the ongoing nature of the audit cycle, with new recommendations regularly being added to the tracker. However, this should not detract from the year-on-year improvement or the meaningful progress made in resolving outstanding actions. More importantly, it highlights a positive cultural shift in how audit outcomes are owned, prioritised, and acted upon across the Health Board.

The approach to reporting has also matured significantly, providing a stronger foundation for assurance and governance. Key improvements include:

- **Ensuring Accountability:** Executive Leads are now consistently held to account for delivering their recommendations. Escalation mechanisms ensure that delays are challenged and addressed promptly.
- **Improving Oversight:** The Committee receives more detailed and transparent updates, offering a clearer understanding of root causes behind delays and enabling more effective support and challenge.
- **Encouraging Timely Action:** Clear expectations around justification for delays and regular updates have driven a more proactive approach.
- **Enhancing Governance:** This strengthened process underpins wider governance improvements by ensuring audit recommendations, often critical to safety, compliance, and performance are fully embedded and actioned.

Looking ahead to 2025/26, the Health Board is looking to further enhance its audit recommendation processes through the implementation of AMaT for corporate audits, a web-based platform designed to record, track, and report audit actions in a more efficient and transparent way.

The move to AMaT will introduce a more streamlined and efficient system for managing audit recommendations, offering real-time visibility of recommendation status, automated deadline reminders, and enhanced reporting functionality. This transition will further strengthen oversight, accountability, and assurance at all levels of the organisation. The Committee will receive regular updates on the progress of AMaT implementation to ensure transparency and alignment with governance expectations.

Argymhelliad / Recommendation



The Audit, Risk & Assurance Committee is asked to:

- **APPROVE** the completion of **35** recommendations;
- **APPROVE 24** revised implementation deadlines;
- **NOTE** the **8** Overdue against their agreed implementation dates;
- **NOTE** the **22** Not Yet Due against their agreed implementation dates; and,
- **NOTE** the ongoing efforts to ensure timely completion of recommendations.

Amcanion: (rhaid cwblhau)

Objectives: (must be completed)

Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Risks associated with overdue recommendations will be captured locally and escalated to the strategic risk register if necessary.
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	2.1 Managing Risk and Promoting Health and Safety Choose an item. Choose an item. Choose an item.
Blaenoriaethau CTCI IMTP Priorities Link to IMTP	Choose an item. Integral to the delivery of the IMTP
Galluogwyr allweddol o fewn y CTCI Key Enablers within the IMTP	Governance
Amcanion cydraddoldeb strategol Strategic Equality Objectives Strategic Equality Objectives 2020-24	Choose an item. Choose an item. Choose an item. Choose an item.

Gwybodaeth Ychwanegol:

Further Information:

Ar sail tystiolaeth: Evidence Base:	N/A
Rhestr Termiau: Glossary of Terms:	Explained within the report.
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	N/A

Effaith: (rhaid cwblhau)



Impact: (must be completed)	
	Is EIA Required and included with this paper
Asesiad Effaith Cydraddoldeb Equality Impact Assessment (EIA) completed	No does not meet requirements An EQIA (Equality Impact Assessment) is required whenever we are developing a policy, strategy, strategic implementation plan or a proposal for a new service or service change. If you require advice on whether an EQIA is required contact ABB.EDI@wales.nhs.uk
Deddf Llesiant Cenedlaethau'r Dyfodol – 5 ffordd o weithio Well, Being of Future Generations Act – 5 ways of working https://futuregenerations.wales/about-us/future-generations-act/	Long Term - The importance of balancing short-term needs with the needs to safeguard the ability to also meet long-term needs Integration - Considering how the public body's well-being objectives may impact upon each of the well-being goals, on their objectives, or on the objectives of other public bodies







Bwrdd Iechyd Prifysgol
Aneurin Bevan
University Health Board

Appendix A: Completed Recommendations

Audit Type	ABUHB Ref No.	Report Title	Assurance Rating	Director	Priority	Recommendation No.	Recommendation	Management Response	Deadline Agreed in Final Report	Months passed Agreed Deadline	Proposed Revised Deadline	Months passed Revised Deadline	Date Revised Deadline was approved by ARAC Committee	Final Report Deadline Status	Revised Deadline Status	Number of revised Timescales Requested including new request	If closed and not complete please provide justification and ensure evidence is available	Progress of work underway	Barriers to implementation including any interdependencies	How is the risk identified being mitigated pending implementation?	What evidence is available to close/complete the recommendation?	Reporting Date
Internal	2020.00	IM&T Control & Risk Assessment 2020/21 - Advisory	Not Rated	Director of Digital	N/A	R8	R8 An assessment of the changes needed to implement the Digital Strategy should be undertaken, and the benefits of the changes articulated, along with the consequences of no change. The Health Board should develop a single roadmap to help deliver the Digital Strategy.	As part of the review Informatics has accepted the need for P30 Portfolio management. This work is ongoing and with an initial focus to core Informatics Division activity but provides a framework for Health Board oversight and transparency. The portfolio approach will extend subject to Board approval to all information assets in a planned programme of work. This forms part of the recommendations to Execs in Q1 2021.	30/06/2021	-44.92	31/03/2025	0.00	09/07/2024	Completed/Closed	Completed /Closed	4		April 2025 - All divisional engagement meetings are now in place and portfolio management in place for all digital programmes alignment with benefits management approach which is reported regularly through governance structures of the board. "June 2024 - An Annual Operational Plan has been developed and used to in form IMTP. The IMTP identifies 7 strategic opportunities including the need to review and update the Digital Strategy. 3 sub strands of digital strategy development are in development: a Data, Analytics & Information Management Strategy, a business, a strategic outline business case for the Health Board's Electronic Health & Care Record and an ICT strategy to review the digital infrastructure needs of the Health Board. "Mar 24 - Divisional engagement meeting dates for meetings are being established for Families & Therapies,			Governance structure in place. Benefits Management Framework developed Project Management Framework developed Portfolio Management Office in place Digital Engagement meetings setup with divisions Requesting process and prioritisation in place.	31/03/2025
Internal	2021.00	Mental Health & Learning Disabilities Divisional Review, June 2021	Reasonable	Chief Operating officer	Low	R3	R3 We recommend that the Flow Centre Team produce and monitor regular performance information over key risks within the process. For example, call waiting times.As this process is already underway, the Team should continue to identify other key performance indicators.This information should also link into individual performance within the Team, for training and improvement.	Agreed. We will:•clarify the audience and reporting requirements;•monitor performance information / KPIs on a regular basis;•identify the top five indicators;•develop a reporting dashboard;and•further refine performance reporting.	30/09/2021	-41.90	31/01/2025	-1.93	08/02/2024	Completed/Closed	Completed /Closed	1		May 2025: The work is managed as part of the 111 #2 work programme and is reported through both internal and external governance pathways. It is proposed to close this matter as superceded with recent developments.January 2024: Remains Outstanding. June 2023 - Remodelling of service and introduction of APP to FC so KPI to develop in line with new modelling	Quality of data and minimal guidance for reporting on performance	Fortnightly performance meetings, Divisional assurance meetings and triangulation with other governance processes.	ongoing	31/03/2025
Internal	2022.18	Monitoring Action Plans	Reasonable	Director of Nursing	Low	R2	Management should review the number of actions raised within the HIW reports and the number of actions noted within the reports sent to committees for accuracy. Management should ensure no actions have been missed from the HIW report	The Health Board agrees with this recommendation. An update to the SOP will be developed to ensure a Quality Assurance check is undertaken, confirming that all actions have been captured and referenced	01/05/2023	#REF!	31/03/2025	#REF!		Completed/Closed	Completed /Closed	4		May 2025: Improvement plans now documented and tracked using the Audit Management & Tracking System (AMAT). SOP updated to reflect these changes. January 2024: AMAT training provided to Divisional colleagues. Action Plans with outstanding actions currently being added to the inspection module on AMAT. In process of moving all inspections onto AMAT. The system will automatically generate reports, to include number of actions identified." June 202412/06/2024 Not yet complete, further training on AMAT required			Improvement plans now documented and tracked using the Audit Management & Tracking System (AMAT). SOP updated to reflect these changes.	31/03/2025
Internal	2022.21	Development of a Regional Radiotherapy Satellite Centre at NHH	Reasonable	Director of Strategy, Planning & Partnerships	Medium	R7	The UHB should seek to obtain the necessary collateral warranties at the earliest opportunity.	Agreed, the necessary collateral warranties will be obtained at the earliest opportunity.	01/06/2023	-21.93	28/02/2025	-1.02	28.11.2023	Completed/Closed	Completed /Closed	1		May 2025: All collateral warranties have been received and signedNovember 2023: there are numerous collateral warranties that occur at numerous points in the contract therefore this would not be completed until the end of the contract , i.e. February 2025. At this point in time the process for the provision of collectoral warranties has not required to be actioned as the relevant works have not be completed. Not currently at the point of issuing warranties. Aug 2023: At this point in time the process for the provision of collectoral warranties has not required to be actioned as the relevant works have not be completed. Not currently at the point of issuing warranties.	Aug 2023: None	N/A	Hard copies of signed collateral warranties have been received	31/03/2025
Internal	2023	Putting Things Right; Final Advisory Review	Reasonable	Director of Nursing	Medium	R5	Complaint case analysis detail level should be sufficiently granular, to provide learning to recipients and to prevent reoccurrence.	Review of all QPS resourses being undertaken via an OCP will include learning. A review of divisional QPS structures and assurance mechanisms will be require following OCP this will form part of a wider delivery plan for the Quality Strategy and a clear accountability framework between the ursing Directorate and the Operational Divisons for QPS.	31/12/2023	-14.95	28/02/2025	-1.02	09/07/2024	Completed/Closed	Completed /Closed	2		Complete. Draft Accountability Framework complete. Learning Events and patient stories have been undertaken specifically around the complaints process. Patient participation panels have been undertaken with future panels planned.The Quality Patient Saftey Learning and Improvement Forum is now established, complaints/ compliments/ PSOW/ QPS learning is shared via this forum. Themes of complaints will be coded at point of receipt. Link back to CIVIA and PALS regarding data with future focus on areas of concern. Actions and learning will be captured on datix. June 24: A centralised Learning Repository is also being developed which will provide a live bank of actions undertaken, updates. This will be supported by the utilisation of the actions functionality in Datix Cymru, which supports monitoring, ownership and accountability. March 2024: The organisational OCP has now concluded and the QPS teams have moved centrally. Job Titles and Descriptions are			We are now 14 months post OCP. This has been taken forward to the QPS Listening and Learning Forum. Formal review of OCP will be undertaken by the end of June 2025.	31/03/2025

Internal	2023.03	Clinical Coding; Final Internal Audit Report	Reasonable	Director of Digital	High	R4.1	we recommend that the Health Board devise a plan to address the longstanding underperformance in the monthly coding of episodes. The performance of the plan should be reported regularly to the Board or an appropriate forum.	The Executive Committee approved the restructuring of the Clinical Coding department in August 2023, the agreed restructure when complete will deliver on the monthly coding of episodes target.	30/06/2024	-8.98		-1499.90	12/11/2024	Completed/Closed	Completed/Closed	1		June 2024 Recruitment to implement the new Clinical Coding structure is on going and estimated to complete by end of September. When the structure is completed, incremental improvements towards the monthly target will commence. Jan 2024: The Executive Committee approved the restructuring of the Clinical Coding Department in August 2023, the agreed restructure when complete will deliver on the monthly coding of episodes target.All posts have been approved by the vacancy scrutiny panel, they have been advertised on NHS Jobs and shortlisting / interview processes are completed. Some of the posts are being readvertised due to a lack of suitability of candidates.			"New structure developed and approved. Recruitment completed and staff training in place. Performance reported to Finance & Performance Committee. Health Board engaged in the national review of Clinical Coding"	31/03/2025
Internal	2023.07	Intergrated Performance Dashboard Data Quality	Substantial	Director of Digital	Low	R1	We recommend that the Health Board develops a procedure document covering the steps to compile the Integrated Performance Report dashboard for Executive Management Team, committees and the Public Board Meeting.	With the development of the new electronic Integrated Performance Dashboard now being complete, a standard operating procedure for updating the dashboard to reflect reported performance will be developed.	30/09/2024	-5.97	31/01/2025	-1.93	12/11/2024	Completed/Closed	Completed/Closed	1		April 2025 - No further updateOctober 2024: The procedure is now in place and the dashboard is able to be updated by multiple teams in the department. Usage of the dashboard is being assessed following the move of the Performance function from Information to Planning.			Procedure document is in place	31/03/2025
Internal	2023.12	Risk Management	Reasonable	Director of Corporate Governance	Medium	R1.1	The Digital Directorate should ensure that there is no additional risk exposure through the current approach of recording divisional risks. Risks should be migrated to Datix as soon as functionality within the software becomes available	The Health Board is still waiting for an implementation date for the Once for Wales Risk Module (RLDatix). In the interim, the Head of Corporate Risk and Assurance is working with the Head of Health and Safety to improve the risk reporting form on the Datix legacy system, as the current format is onerous, overly complicated, and easy to override required sections. The Once for Wales Datix Risk Module is being trialled in Powys and has been well received; thus, the risk recording form from the RLDatix system will be replicated in the Datix legacy system to aid in the migration of locally held risk registers to Datix.The Digital Directorate will test the new form by adding all its risks to Datix. Training on the Datix system will be provided to ensure that all Datix Users within the Directorate understand how to use the system to manage risks and run reports to gain insight into the Directorate's risk exposure.	30/09/2024	-5.97	30/09/2024	-5.97		Completed/Closed	Completed/Closed	1		April 2025: The Health Board has decided against implementing the RLDatix Risk Module due to its limitations. The Digital Directorate (DD) maintains a robust internal risk management system, effectively monitoring and managing risks daily. The Directorate is well-versed in the Risk Management Framework (RMF) and the escalation process. High-risk issues are monitored according to the Framework and discussed at the Senior Management Meeting, chaired by the Director of Digital. These risks are then escalated to the Corporate Risk Register (CRR [Executive Level]) for enhanced monitoring. Additionally, there is a strong working relationship between the Corporate Governance Department and the DD, with regular interactions regarding risk. To evidence the robustness of the DD's grip on risk management and adherence to the RMF, a risk related to the LIMS Pathology system was escalated to the			This recommendation can be completed with substantial assurance that the DD is not exposed to additional risks by not using the current Datix system. The DD will be included in any testing of a new RM system to ensure its capabilities and functions are an improvement.	31/03/2025
External	2021.01EA	Audit of Accounts Report, 2020-21 – Addendum issued December 2021	Not Rated	Director of Digital	Medium	R3	The HealthBoard should consider strengthening their IT Controlsas follows:i.All of the Windows server 2008 operating system should be replaced with either Windows 2012 or higher where possible (this is almost completed with only twenty three servers left). ii.W7 and W8.1 desktop devices should be replaced as these are now de-supported. iii.Ensure that the change management procedure is finalised.iv.The IT Data Recovery Plan and Backup Policy should be updated and clearly defined.v.With regards to the Wellsky system, leavers and accesses changes should beformally recorded, and the Health Board shoulddevelop a suite of audit and security reports to run and monitor to ensure user access is appropriate.	i.With regards to our Windows Server 2008 environment, we have an active programme of work to either upgrade or decommission these servers. It is envisaged that by the end of the current quarter only a few servers may remain, although weare currently investigating options for these.ii.ABUHB have made significant progress in removing Win7/8.1 from our estate and currently have 0.4% to complete.There is an active programme of work to remove these devices from the network or upgrade them to a supported version of Win10.iii.We have an established and robust Change Management Process in place with regularly scheduled and structured Change Advisory Board meetings to manage operational change.The process has been widely socialised with all of Informatics and other Key Stake Holders, and also engages effectively with other ITIL practices such as Incident Management and Asset/Configuration Management.Critical Success Factors and Key Performance Indicators are agreed and monitored to measure effectiveness.iv.The IT Data Recovery Plan and Backup Policy is still in the process of being reviewed and updated.A draft version has been shared within the team and the finalised version will be released within the	31/12/2021	-38.89	30/06/2025	2.98	08/02/2024	Completed/Closed	Completed/Closed	1		January 2024: The work to remove legacy versions of Windows Server and Windows Desktop operating systems has gone well with no Windows 2008 servers remaining. No further action is required on change management had a robust process is in place with strong engagement with stakeholders and assessments for clinical safety. Further work is required to assess Backup and Recovery Policy and Starters, Leavers and Movers and will be part of the directorates workplan over the next two quarters. Nov 23: Critical Server refresh ongoing, KPI's being developed for presentation at Cyber Security Assurance Group Aug-23: No update - older servers are being replaced via critical server refresh project, updated figures to be provided by SC May 23: No further update Mar-23: Discussion with 3rd party is still ongoing			"Significant work completed to remove legacy devices from our infrastructure and robust change management procedures in place. Backup procedures reviewed and disaster recovery test completed."	31/03/2025
External	2023.05EA	Review of Workforce Planning Arrangements	Not Rated	Director of Workforce & OD	High	R3	Medium to long-term service workforce modelling is out of date and is needed to inform sustainable clinical service models. The Health Board should review their central workforce planning capacity and capability to ensure it is sufficient to support their longer term strategic and operational workforce planning requirements. (	We continue to provide longer term planning alongside National Workforce Strategies being developed by HEIW. We will undertake a review of capability and capacity following an assessment of workforce planning requirements via the 2024 IMTP.	30/07/2024	-8.00	31/01/2025	-1.93		Completed/Closed	Completed/Closed	1		"April 2025 There are now a number of workforce training opportunities available for staff at all levels, supported by HEIW on line modules, HEIW events and also local training programme workforce planning session is now embedded in internal leadership programmes such as DDx and CDx and the Health Board will continue to seek opportunities to integrate workforce planning training into existing and new management and leadership programmes. To date 32 staff have commenced the HEIW online modules (level 1), 8 staff have attended the 1 day Health Board training session (level 2). In addition to this 5 staff attended the bespoke HEIW hosted Mental Health training programme (December to March) and a programme plan has been developed to support the roll out of workforce planning approach across the division. A capacity and capability review has been undertaken to improve intelligence around capabilities which will				31/03/2025
Internal	2023.16	Medical Equipment & Devices - Ultrasound	Reasonable	Director of Allied Health Professionals	High	R1.1	We recommend that a periodic physical verification control process is implemented across the Health Board to confirm the existence of ultrasound equipment and the accuracy of its listing in the MEDUSA database. This may be done by adopting the asset management RFID tagging process underway across all assets.	Medusa currently holds information relating to ultrasound equipment highlighting the location and owner department. A rolling 12-month programme of staggered audit will be implemented to ensure that departments visually check the ultrasound assets against the Medusa list, reporting any issues or potential faults with the equipment to EBME. A 6-month implementation period has been assigned to this action given the need to engage with ultrasound equipment owners, design the audit process, ensure audits are recorded in an appropriate electronic format. The Ultrasound Governance Committee will represent the strategic oversight forum to review progress against the defined actions documented within the management response in support of raising assurance levels.	01/11/2024	-4.92	28/02/2025	-1.02		Completed/Closed	Completed/Closed	1		January 2025: This is the first update An initial piece of work has been undertaken to identify how many US machines we have in the organisation and how this aligns with the medusa records. The outcomes from the initial information gathering exercise highlighted a possible 83 units that were not linked to Medusa across several organisational sites. The EBME service has undertaken an exercise to physically check, electrically test and tag the units. Information has now been added to Medusa for 50 units with plans in place for the remainder. It is a case of having access to the units during non-clinical times. This has been difficult in recent weeks due to the limited EBME resource and the clinical pressures. High confidence that this work will be completed and Medusa up to date by end February. The Ultrasound governance committee will ensure a system of regular sample audit is in place and adhered with, to provide physical verification of all units over the			An audit calendar has been created which contains details of all of the ultrasound devices in use within the healthboard. This is a staggered calendar, meaning that all of the units will be covered over the course of a year. An electronic audit form has been produced together with work instructions on how to perform the audit and the importance of capturing key information. This audit schedule will be monitored as part of the Ultrasound Governance group agenda	31/03/2025

Internal	2023.16	Medical Equipment & Devices - Ultrasound	Reasonable	Director of Allied Health Professionals	High	R1.2	We recommend that the Health Board carry out periodic alignment / reconciliation checks between the MEDUSA equipment database and the finance owned fixed asset register with respect to ultrasound equipment. This may also be completed via an electronic interface with the asset databas	An electronic interface exists between the fixed asset register and MEDUSA equipment database however there is a current known fault with this interface. It is currently being addressed between EBME, Capital Finance and IT. Medusa also requires a software update to the latest revision which is also in progress. A rolling programme of audit will then be implemented to ensure reconciliation between MEDUSA and the fixed asset register (only applicable to assets where RFID has already been implemented). A 6-month period has been assigned to this recommendation given the uncertain nature of implementing the solution as well as designing an audit process and recording in an appropriate electronic format.	01/11/2024	-4.92	28/02/2025	-1.02		Completed/Closed	Completed/Closed	1		January 2025 First progress update There has been an unavoidable delay in progress due to existing fault between the fixed asset register and the Medusa database. This has now been rectified. A requisite software update has also been completed. EBME have simultaneously aligned Ultrasound equipment on medusa with the fixed asset register as part of the physical verification and tagging exercise. Again, this has been impacted by critial winter challenges A process for periodic audit needs to be produced to be overseen by the US governance group. The recommendation can be completed once this is in place (end February 25)			The EBME department will take a random sample from each months physical verification audits (detailed above) and will reconcile information on medusa against the fixed asset register. This audit schedule will be owned by EBME but will periodically report to ultrasound governance group as part of the audit agenda item	31/03/2025
Internal	2023.29	Intra-Site Patient Transfers	Reasonable	Chief Operating Officer	Medium	1.1	We recommend that the Health Board ensure that the Flow Centre Review Paper recommendations are delivered in a timely manner, with progress updates provided to the Chief Operating Officer.	The Urgent Care Division is in contact with the Chief Operating Officer to resolve outstanding recommendations that may require additional funding. The recommendations are discussed formally in a wider group at the weekly Urgent Care Enhanced Monitoring Meeting chaired by the COO or Deputy COO.	31/03/2025	0.00		-1499.90		Completed/Closed	Completed/Closed	0		May 2025: "The development of Flow Centre functionality and delivery is now being considered as part of a wider piece of work that is being taken forward by the Navigation Hub Project Group, which sits under the Six Goals of Urgent and Emergency Care Board. Recent audits have demonstrated that year-on-year demand, relating to pre-hospital call volumes has increased by c.5%. Therefore, the future Flow Centre workforce model will need to be considerate of this step-change, as well as considering AI / Digital solutions to manage call demand and to support effective signposting. This work will be picked-up as part of the Navigation Hub Project Group work, and also by Urgent Care Division as part of the annual palnning (IMTP) priorities, to ensure that future budget allocation and / or Business Plan			A recent deep dive with the Ops staff in urgent care has identified several areas for improvement within the flow centre. These improvements will be incorporated into the ongoing project. Additionally, this initiative is part of the broader Navigation Hub Project Group.	31/03/2025
Internal	2023.34	Waiting List Management Final Internal Audit Report.	Reasonable	Chief Operating Officer	High	1.1b	Consultants/clinical leads responsible for patients on waiting lists should periodically confirm their patients remain in the most efficiently prioritised order. Whilst recognising that significant resource and other constraints impact the Health Board's aim to reduce the waiting lists, a review of whether overtime, further utilisation of theatres, collaboration with other Health Boards etc. should be completed to determine if there are feasible steps to take to reduce waiting times.	The T&O directorate recognise the importance of scheduling both in and outpatient lists to ensure an appropriate balance between clinical priority and treating in turn. To support this, the Health Board planning team provide weekly detailed analysis of treat in turn data for RTT inpatient lists which has supported an improvement in treat in turn, which since May has increased from 65% to 80%, including listing out of turn reasons. Inpatient schedulers work very close with consultants to review theatre lists. Clinical time to review waiting lists is not currently achievable whilst available clinical sessions are prioritised for delivering direct patient care. The gains available to the directorate from treat in turn, validation and other improvement programmes such as theatre efficiency, are incremental in terms of the gains they deliver in comparison with the size of the challenge. As highlighted in recent reviews, the directorate was previously heavily reliant on additional activity to support the RTT position. The difficult decisions taken by the Health Board to support the financial challenges meant that additional activity is largely no longer supported at the same scale. As such, significant improvements in waiting times cannot be achieved without investment in both additional activity,	31/03/2025	0.00		-1499.90		Completed/Closed	Completed/Closed	0		It is proposed to close this matter based on the decision not to repurpose DCC sessions. The Health Board has made difficult decisions to address financial challenges, resulting in reduced support for additional activities at the same scale. Therefore, it is proposed to close this matter based on the decision that has already been made but assurance that ongoing efforts and plans in place to address the RTT position. Propose to close.				31/03/2025
Internal	2023.34	Waiting List Management Final Internal Audit Report.	Reasonable	Chief Operating Officer	High	1.1c	When reaching out to patients on the waiting lists, with letters confirming the patient details etc. are correct, options of different care pathways could be offered or options for reassessment considered if the patient's condition has changed.	Our Outpatient Waiting List validation letter is currently a standard letter that is sent to all services. It is generated by DHCW (rather than directly on WPAS) who have limited resource and so we are not able to tailor letters to specific patients via this process currently. WPAS development is planned to enable us to run our own validation data sets and set up our own letters on WPAS which would allow us to be able to tailor letters by specialty/sub specialty. If we were to offer different care pathways we would need to be able to identify appropriate patients at clinical condition level, this would require resource at either a clinical or clerical validation level to identify appropriate patients. If patients do indicate on their current responses their condition has changed/worsened we send this to the relevant directorate teams. We do not directly ask for clinical information in our current process, if this was to be incorporated then resource and escalation routes would need to be identified in each directorate. Unfortunately, at this time we are not able to adapt the current process but can review this when the WPAS change takes place. If a need is identified for a particular cohort of patients then we will explore validating via 'mail merge' but this would be on a smaller scale than our	31/03/2025	0.00		-1499.90		Completed/Closed	Completed/Closed	0		To note the QR code has been added to the validation letters, which directs the patient to the keeping well hub website.				31/03/2025
Internal	2023.34	Waiting List Management Final Internal Audit Report.	Reasonable	Chief Operating Officer	Low	2.1	The Health Board should review whether there are other alternatives to Dr Doctor that could/should be embedded to improve communication to patients.	DrDoctor has been replaced with Envoy which is a patient communication software, with outcomes in an instant with reporting designed by NHS users. Despite initial challenges, the software is in place with a phase 1 rollout plan as follows: • Implementation of a lockdown on letter templates. • Introduction of a Standard Operating Procedure (SOP) and a change control process for any requested alterations to SMS or letter templates • Rationalised letter templates. • Biweekly project meetings are now scheduled with RBC and podded services, which will also tie into outpatient transformation meetings. • The implementation of clinic locations and sub-specialties in SMS has begun, with services required to validate this information prior to activation. • The necessity for bi-directional SMS is currently under evaluation. • Process mapping has been completed in collaboration with RBC and podded services. • A WPAS product team is being developed to set standards for WPAS usage across the Health Board, alongside improved training initiatives. Keeping Well Single Point of Contact The Keeping Well Single Point of Contact Team will be contacting patients on	31/03/2025	0.00		-1499.90		Completed/Closed	Completed/Closed	0		Apr 2025: The Envoy platform is firmly in place, with hospital location and sub-specialty now embedded within the SMS reminders. RBC and podded services that use the Envoy platform for sending appointment letters will transition to digital later this year, providing patients instant access to letters and additional information in an accessible format. The project has been on pause while Information Services and RBC recruit to support this workstream, with anticipated appointments by mid June. This phase of the Digital Patient Communications project is expected to recommence in August, focusing on further rationalisation of letters, with meetings reconvening with RBC and services to facilitate this process. The management of WPAS letters remains with RBC to ensure consistency and accuracy. The OCP process is currently underway and a recruitment exercise will be conducted to establish a new WPAS product team responsible for setting standards for WPAS usage, alongside improved training initiatives. The Keeping Well May 2025: The Health Board continues to have access to RDRIVE which is the site where all details of the Snags, defects, etc are uploaded by the Supervisor and updated by the Contractor once they have been completed. The Health Board receives a weekly report from this site so that it can track progress against issues raised. Additionally, the Kier Aftercare produce a tracker with all snags/defects for formal review by the Health Board.			The Health Board has successfully implemented the Envoy platform as a replacement for DrDoctor. This platform now includes hospital location and sub-speciality information within SMS reminders. RBC and some podded services will transition to digital communication later this year. The project had been on pause for recruitment, but is expected to recommence in August. The Keeping Well service continues to provide guidance and support to patients awaiting treatment, with progress being made across various waiting lists.	31/03/2025
Internal	2023.35	Development of a Regional Radiotherapy Satellite Centre at NHH	Reasonable	Director of Strategy, Planning & Partnerships	Medium	4.1	Performance management information regarding the prompt rectification of snags, defects, etc., should be consistently provided, highlighting trends (monthly). This reporting should include details on completed items, outstanding issues, and other relevant updates etc.	Agreed. The Health Board has access to RDRIVE which is the site where all details of the Snags, defects, etc are uploaded by the Supervisor and updated by the Contractor once they have been completed. The Health Board receives a weekly report from this site so that it can track progress against issues raised. Additionally, the Kier Aftercare produce a tracker with all snags/defects for formal review by the Health Board. Monthly meetings will be undertaken to review and sign off.	28/02/2025	-1.02		-1499.90		Completed/Closed	Completed/Closed	0		Alongside improved training initiatives. The Keeping Well May 2025: The Health Board continues to have access to RDRIVE which is the site where all details of the Snags, defects, etc are uploaded by the Supervisor and updated by the Contractor once they have been completed. The Health Board receives a weekly report from this site so that it can track progress against issues raised. Additionally, the Kier Aftercare produce a tracker with all snags/defects for formal review by the Health Board. Monthly meetings will be undertaken to review and sign off.			Will continue with identified process until completion of the building at the end of April 2025 ensuring all snags are cleared. Any outstanding defects will continue to be managed the the Defect process under the NEC Contract	31/03/2025

Internal	2023.36	Providing Care to Asylum Seekers and Refugees	Reasonable	Chief Operating Officer	Low	1.2	The timescale of when a Blue Book assessment is completed should be reviewed and the timeframe formally agreed and documented within a procedure	A standardised timeframe for completion of the Blue book assessment is not in place nationally. The service will seek best practice in terms of completion of the blue book nationally and establish a standard completion date, using this as a baseline measure for the service.	31/01/2025	-1.93		-1499.90	Completed/Closed	Completed/Closed	0	The service has identified best practice in terms of completion of the blue book and have now established a standard completion date of 10 days to complete the blue book.	Establishment of 10 day timescale for blue book assessment to be completed.	31/03/2025
Internal	2023.37	Newport East Health and Wellbeing Centre	Reasonable	Director of Public Health	Medium	5.1	The Project Board should re-examine the remaining risks and sufficiency of remaining contingency sums (demonstrating ongoing scrutiny and management of the project risks) through to completion.	The Construction Risk Register is revised regularly on a monthly basis and is led by the Projects Cost Advisor. Risks are robustly scrutinised with appropriate funding allocated against each risk. Due to the robustness of this process, the overspend on the project has been significantly reduced to £120k. Whilst recognising the project is still over committed, the risk has reduced substantially to the financial position which was being recorded at the start of the project, due to unforeseen risks to the project.	30/11/2024	-3.97		-1499.90	Completed/Closed	Completed/Closed	1	May 2025 - Risk register continued to be reviewed, with Project Risks actively being managed against the Contingency Pot until completion in March. January 2025: Risk register continues to be reviewed, with Project Risks actively being managed against the Contingency Pot. This will continue to be reviewed until the completion of the Project.	Project now completed	31/03/2025
Internal	2023.37	Newport East Health and Wellbeing Centre	Reasonable	Director of Public Health	Medium	6.1	All project control forms should be consistently completed and appropriately authorised including cross references, date of signature etc., and identifiable at the Change Control Register.	Accepted The consistency of the project control forms has been addressed in line with the recommendation.	31/10/2024	-4.95		-1499.90	Completed/Closed	Completed/Closed	1	May 2025 - Change control implemented in line with recommendation. January 2025: Change control implemented in line with recommendation.	Project now completed	31/03/2025
Internal	2023.37	Newport East Health and Wellbeing Centre	Reasonable	Director of Public Health	Medium	7.1	All Project Control Forms should be adequately completed to demonstrate authorisation and approvals in accordance with the Standing Orders (Scheme of Delegation) and/or project delegation limits prior to the issue.	Accepted The Project Control forms are completed in line with the Health Board Scheme of Delegation, but also in line with requirements under the NEC contract. Whilst acknowledging that the email provided with the signed document lacked detail, as advised there were number of meetings and discussions which took place to inform the decision to sign the PCF.	31/10/2024	-4.95		-1499.90	Completed/Closed	Completed/Closed	1	May 2025 - Ensuring adherence with the NEC Contract. January 2025: Change control implemented in line with recommendation, but also ensuring adherence with the NEC Contract.	Project now completed	31/03/2025
Internal	2023.37	Newport East Health and Wellbeing Centre	Reasonable	Director of Public Health	Low	8.1	Project Control Forms should be completed with detailed descriptions that demonstrate Value for Money (VfM) and support informed decision making.	Agreed. More detail will be included in the detail to support more informed decision making.	31/10/2024	-4.95		-1499.90	Completed/Closed	Completed/Closed	0	May 2025 - more detail provided with PCF's which includes the full details of the PMI's/ CEQ's/ Etc.	Project now completed	31/03/2025
Internal	2024.01	Energy Management	Reasonable	Chief Operating Officer	Medium	1.1	new strategic risk we will be requesting approval for in January.	AGREED – the draft Energy Work Plan shall be considered and developed in a “workshop” style session to be arranged for November 24. The developed plan will be passed through the Estates Decarbonisation Group for comment and any actions resulting from the workshop will be monitored via the same peer group. The plan will cover the remainder of 2024/25 as well as financial year 2025/26.	31/12/2024	-2.95	12/02/2024	-13.54	Completed/Closed	Completed/Closed	1	Energy Work Plan is now a standing agenda item on the Estates Decarbonisation Group	Development session completed 28 NOV 24. Final draft of Work Plan being finalised for presentation and progress update to next Estates Decarb Group 12.02.25	31/03/2025

Internal	2024.01	Energy Management	Reasonable	Chief Operating Officer	Low	2.1	Recognising the UHB has already identified scope for improvements in the efficiency of data capture processes (as captured in the Energy Team's Work Plan – see MA1), it should be ensured that achievable and measurable plans be developed, including identification of any associated monetary costs, in the following areas: • Roll-out of AMRs to sites currently without; • Electronic download of Stark data into Systems Link; • Data connection between Systems Link and the energy suppliers; • Generation of electronic data file to upload to Oracle.	AGREED – The reinstatement of electronic data collection following the change in suppliers is one of the areas for improvement in the Work Plan, to improve functionality and reporting capability. Liaison will be made with the energy suppliers to identify meters not yet AMR/Smart enabled and to plan a suitable roll-out	31/03/2025	0.00		-1499.90		Completed/Closed	Completed/Closed	0		There is an ongoing programme of work to replace old meters with AMR, some have already been completed others are being programmed in with Suppliers. The ability to download Stark data into Systems link is available. Currently exploring the feasibility with our BPA to upload data files to Oracle, as this action is now in place, albeit with a roll out subject to supplier support, it is recommended this action is closed for tracking.				31/03/2025
Internal	2024.01	Energy Management	Reasonable	Chief Operating Officer	Low	2.2	To ensure consistency and clarity, the manual meter reading proformas should be standardised. Consideration should be given to applying a consistent approach to which meters require manual reading, where AMR data is also available.	AGREED – As part of the Work Plan, there will be a re-formatting of the manual meter read sheets to standardise and make easier for estates operatives to understand and complete accurately. Development of these templates will be done with the Energy Team and estates stakeholders	31/03/2025	0.00		-1499.90		Completed/Closed	Completed/Closed	0		new forms are in place.				31/03/2025
Internal	2024.01	Energy Management	Reasonable	Chief Operating Officer	Low	4.1	The UHB should utilise the NHS Wales EFPMS data to benchmark energy performance against similar organisations / sites.	AGREED – the output from the national EFPMS report has not been sufficient to support detailed analysis and benchmarking by Health Boards. SES have advised that the output from this year's submission (submitted in September) will provide more information to assist, which will be greatly welcomed by the Division Estates and Facilities. The delivery of this analysis and the timeline is dependent upon the SES releasing the report and the data which underpins this for analysis.	31/03/2025	0.00		-1499.90		Completed/Closed	Completed/Closed	0		Detailed analysis from SES has not been provided and that timeline is not in the control of the Division or ABUHB. When provided this will be actioned but suggest this action is now closed down as outside control of organisation				31/03/2025
Internal	2024.01	Energy Management	Reasonable	Chief Operating Officer	Medium	5.1	The Energy Manager should undertake energy walk-arounds in both winter and summer.	AGREED – The annual site walk-rounds have been in place for the DEC assessment process but additional walk arounds will be reinstated. Additionally walk-rounds will be carried out in summer and winter for the largest hospital sites (this will also satisfy / complement the ISO14001 audit requirements). These will be reinstated by end of financial year.	31/03/2025	0.00		-1499.90		Completed/Closed	Completed/Closed	0		Programme for 25/26 will aim to do two visits per year				31/03/2025
Internal	2024.02	Reinforced Autoclaved Aerated Concrete – Nevill Hall Hospital	Reasonable	Chief Operating Officer	Medium	1.1	A concise RAAC management strategy should be developed to provide assurance that the Health Board safeguards its infrastructure and the safety of its occupants.	AGREED - The concept of a RAAC Management Plan was already being scoped with the Health Board's professional external advisors, prior to the fieldwork for this Internal Audit. The scope of this plan is being finalised with our advisors who will lead the production of this for the Health Board. This recommendation from the Internal Audit will inform the production implementation the Plan	31/12/2024	-2.95	28/02/2025	-1.02		Completed/Closed	Completed/Closed	1		The RAAC Management Strategy and Plan has been completed and received by the Health Board Health and Safety Committee April 2025 The Management Plan has been received from advisors and is being finalised with input from the RAAC Working Group. DDEF is linking with the DDEF for confirmation of onward cascade and discussion within governance forum.				31/03/2025
External	2024.01EA	Structured Assessment 2024	Not Rated	Director of Finance and Procurement	N/A	4.2	Ensuring Single Tender Action reports include total contract values, setting out whether Board or Welsh Government approval was needed, and provide trend analysis of numbers and total values of Single Tender Actions for comparative periods in previous years.	Single Tender Action reporting will be updated to include these elements.	31/03/2025	0.00		-1499.90		Completed/Closed		0		May 2025: Report being presented to Audit, Risk and Assurance Committee 22th April 2025.				31/03/2025

External	2024.02EA	Review of Cost Savings Arrangements - ABUHB	Not Rated	Director of Finance and Procurement	N/A	2.1	The Health Board should clearly demonstrate how the savings and efficiency ideas that it canvasses from its staff are then used to inform and shape deliverable savings schemes.	The first tranche of savings ideas from staff have been reviewed and assessed by the Health Board Value and Sustainability theme executive leads. The plethora of ideas received identified many issues that were being progressed where appropriate to do so and new ideas shared directly with service leads for consideration. Feedback on key initiatives is given through CEO briefings and the frequency of this will be increased. A second exercise to review more recent ideas received is being progressed. In addition, regular finance & savings updates are provided to 'Staff side' at the Trades Union Partnership Forum meetings	30/03/2025	-0.03		-1499.90		Completed/Closed		0		May 2025: During March 2025 A further tranche of staff savings suggestions have been reported through to V&SB executive leads and will be considered appropriately for 25/26 savings plans.			Executive and divisional leads to progress and report to V&SB Board for feedback	31/03/2025
External	2024.02EA	Review of Cost Savings Arrangements - ABUHB	Not Rated	Director of Finance and Procurement	N/A	4	The Health Board should strengthen its approach to the reporting of cost savings by ensuring that future savings reports to Board and committees articulate all the savings the organisation needs to deliver each year to meet its Welsh Government control total deficit.	The Board has well established best practice mechanisms for transparently reporting the forecast financial and savings position which have been subject to Welsh Government and audit review. Health Board savings reporting is aligned to the guidelines and requirements of the Welsh Government financial management regime. The overall health board expenditure forecast above funded levels, compared with the level of savings planned identifies a shortfall as the Health Board forecast deficit. This is reported against the statutory duty to break even as well as clearly stating the comparison with the control total set by Welsh Government		-1499.90		-1499.90		Completed/Closed		0		May 2025 Completed as part of management response				31/03/2025
External	2024.02EA	Review of Cost Savings Arrangements - ABUHB	Not Rated	Director of Finance and Procurement	N/A	5	The Health Board should continue to refine and update its medium term financial plan (route map) to 2026-27 based on internal and external delivery risks and quickly take corrective action where there is slippage in its planned financial trajectory.	The Health Board's 'Route map to recovery' was approved by the Board in July 2024, as part of the Value and Sustainability Board savings identification process and the annual planning process the detailed actions will be further developed. The 2025/26 Planning process will confirm the delivery plan against the route map.	31/03/2025	0.00		-1499.90		Completed/Closed		0		May 2025: 2025/26 IMTP provides updated outline route map			See 25/26 - 27/28 IMTP	31/03/2025
Internal	2024.05	Intelligence Led Organisation	Reasonable	Director of Digital	Medium	1.1	Management should ensure that the Data, Analytics & Information Management Strategy is promptly approved and adopted to drive organisational alignment, enhance decision-making, and ensure effective use of data across all areas of the Health Board.	The final engagement session has been held with the Director of Strategy, Planning & Partnerships and the Director of Public Health and the final version of strategy will be taken to the Executive Committee for formal approval in February 2025.	28/02/2025	-1.02		-1499.90		Completed/Closed	Completed/Closed	0		April 2025 - Data and Analytical Strategy approved by Executive Committee			Engagement activities completed. Presentation to Executive Committee. Implementation board to be setup in the summer alongside Centre of Excellence.	31/03/2025
Internal	2024.05	Intelligence Led Organisation	Reasonable	Director of Digital	Medium	4.1	Management should ensure that the project to replace the SFN tool used within the Planning division is delivered, with appropriate representation from the division to fully feed in their needs.	A formal governance structure is in place chaired by the Director of Strategy, Planning & Partnerships and the Director of Digital. This project group contains representations from digital, planning and service leads and is managing the replacement for the SFN product.	31/03/2025	0.00		-1499.90		Completed/Closed	Completed/Closed	0		Formal governance structure is in place with representatives from planning and divisions.			Project governance meetings in place with appropriate representation in line with project management framework.	31/03/2025
Internal	2023.31	Theatre Stocks	Reasonable	Chief Operating Officer	Medium	4.1	We recommend that relevant staff are reminded of the Health Board's year end stocktaking process and if required, guidance notes updated accordingly.	Options are being explored to involve additional support, including an independent person for the year end stock taking validation, e.g. financial support.	28/02/2025	-1.02		-1499.90		Completed/Closed	Completed/Closed	0		16/04/2025 In line with the recommendation, the end of year stock take was completed in February 2025 by the theatre stock team using their existing staff resources. External attendees from Audit Wales were present and the attendees spent some time with the team to observe the count and check the count for accuracy.			16/04/2025 In line with the recommendation, the end of year stock take was completed in February 2025 by the theatre stock team using their existing staff resources. External attendees from Audit Wales were present and the attendees spent some time with the team to observe the count and check the count for accuracy.	31/03/2025

Appendix B: Revised Implementation Date Requests

Audit Type	ABUHB Ref No:	Report Title	Assurance Rating	Director	Priority	Recommendation No.	Recommendation	Management Response	Deadline Agreed in Final Report	Months passed Agreed Deadline	Proposed Revised Deadline	Months passed Revised Deadline	Date Revised Deadline was approved	Final Report Deadline Status	Revised Deadline Status	Number of revised Timescales Requested including	Progress of work underway	Barriers to implementation including any interdependencies	How is the risk identified being mitigated pending implementation?	What evidence is available to close/complete the recommendation?	Reporting Date
Internal	2020.00	IM&T Control & Risk Assessment 2020/21 - Advisory	Not Rated	Director of Digital	N/A	R1	R1 The governance framework for IM&T / digital should be clarified and where control over aspects of IM&T has devolved to departments, there should be a process for these to feed into the relevant Committee to ensure oversight. Underneath the Committee the steering group remit and membership should be defined.	Agreed. The Health Board is establishing a new governance framework. Currently Informatics is reporting to the Audit Committee, the first report is scheduled for 8thApril. A Health Board governance framework is in development for informatics including exec oversight, investment and delivery. The management of the global pandemic has disrupted the planning work by 12 months but this is now re initiated. Recommendations are scheduled to be presented to Exec Team Q1 , and Board in Q2;	30/06/2021	-44.92	31/05/2025	2.00		Overdue	Overdue	7	April 2025 - Sub-Committee on the agenda for 7th May for formal approval and first meeting will be scheduled following this. "January 2025 Meeting held with chair of Clinical Council and reporting arrangements agreed. Terms of reference finalised for Digital, Data & Technology Sub-Committee and will be taken to the Executive Team for approval by the end of January will first meeting planned for March." October 2024: Meeting taking place with chair of the clinical council to review terms of reference and agree reporting arrangements, this will take place at the end of October. August 2024: Agreed that the clinical council will report into the wider Health Board's clinical advisory group so terms of reference now being reviewed to note this change. June 2024: Sign-off of the terms of reference has been delayed to the end of June to ensure consideration of clinical engagement and the role of the clinical council in the governance structure. March 2024: The Information Governance, Health Records and Cyber Security governance groups are now meeting and the first Information Governance Sub-Committee is being held on the 26/03/2024. The Digital, Data & Technology Sub-Committee terms of reference are completed and will be taken to the Executive Committee on the 11th April pending agenda setting.				31/03/2025
Internal	2021.26	Facilities - Care After Death	Reasonable	Chief Operating Officer	Medium	R3	R3 The Care after Death Team should determine if the software delivers sufficient benefits in excess of the potential risks. If not, then alternative software / system should be procured, to include some / all of the following features: • remotely accessible across all sites, at all times; • update immediately following any change inputted; • link to key software within the Health Board, to minimise manual data entry; • produce management information / a dashboard and other relevant information (e.g. patient location); • raise warnings where breaches to the SOPs are imminent, e.g. capacity, temperature (if recommendation three is adopted) warnings; • a full audit trail including access information and data changes; • support profile levels to facilitate access control; and • be fully compliant with the Health Board and DHCW shared service software requirements	It is acknowledged that the current system does present the Health Board with a risk due to the issues as identified within the audit. The issue of the current & inherited database being unfit for purpose is acknowledged; the Estates & Facilities Division will now engage with suppliers to identify a suitable replacement software system. A three-month window to identify supplier, design a system and implement is believed to be a significant challenge. It is expected that this work may take up to a six-month period.	31/03/2023	-23.97	31/12/2025	9.02		Overdue	Not Yet Due	3	April 2025: Decision made to procure dedicated mortuary and CAD services software (following comprehensive review of TCLE 2025 functionality) which will meet all the required recommendations set out by the Risk and Assurance Team and the HTA, and fully integrate with PAS in order to mitigate against the risk of transcription errors due to manual entry. System can provide reports and/or be integrated with Qlik. Procurement underway. No timeline yet provided for 'go-live' date.October 2024: CAD team database was on Qlik for initial period but was removed due to data quality issues and planned commencement end of Nov 24 beginning Dec 24. TCLE 2025 UAT underway for CAD and Mortuary , no requirement currently for a bespoke database for CAD, Current CAD database will transfer to TCLE upon completion January 2024: Partially completed. This risk has been resolved/removed by some minor changes to the current CAD database and development work that will make the body store details available in Qlik. Awaiting final verification of Qlik data. Estimated date of completion 31/03/24 November 2023 - new software was not procured due to cost implications. Work undertaken to cleanse database and ensure that relevant fields are completed to enable reports to be produced	IT Infrastructure Team resource capacity may delay the implementation.	November 2023 - Meeting with IT and support has been put in place for basic maintenance of database with reports being run through Qlik Mar 23 Ongoing liaison with Associate Director of Informatics Strategy & Planning	Q4 of 2022/23	31/03/2025
Internal	2022.12	Records Managment	Limited	Director of Digital	Medium	R5	R5 The need for records management storage places should be regularly reviewed to ensure that sufficient spaces are available for record keeping purposes.	This issue is to be raised with the All Wales Medical Directors Forum as Caldicott Guardians. The Data Protection Officer will raise this at quarterly meetings with the Medical Director and agree an action plan.	31/12/2023	-14.95	31/12/2025	9.02		Overdue	Overdue	2	"April 2025 - Following recent refreshed audit into Records Management a task & finish sub-group is being setup to ensure any physical issues are identified and remediated where possible. The scanning of Mental Health paper records has commenced." August 24 - Continuing issue with mould and water ingress, danger of holes in glass roof within storage area in St Cadocs requires immediate attention as will not be permitted to retrieve or track records from this area following visit by health and safety. Urgent remediation work required and inroads into the digitisation of mental health records as they require long term storage and no suitable premises have been identified. June 2024: Will be considered as part of WPAS product team support and changes, discussions are underway with Chief Operating Officer and Executive Director of Nursing so this can be aligned with the ward accreditation process. Mar 24- Closure of another library of records achieved at Llangennech and move of some mental health, children service records to vacated Antenatal Basement Library to relieve pressures. - Unable to provide a revised timescale at this stage.				31/03/2025
Internal	2022.12	Records Managment	Limited	Director of Digital	Low	R9	R9 Loose patient records should be properly filed	The CNIO will reinforce this requirement with the ward staff. The process for creating DHR supplementary folders on wards will be shared with all Divisional nurses.	31/03/2023	-23.97	31/12/2025	9.02		Overdue	Overdue	2	"April 2025 - Business case being developed for the future of CWS in the organisation which will include a proposal for a e-Forms solution to enable removal of additional paper across the Health Board and reduction in scanning. WNCR now live across all adult inpatient areas. Importance of record managements to be discussed at Board Development session in June alongside proposal for an audit team, " June '24 - WNCR now live in YYF and only 8 wards left. 2.5 release will include two more forms will will cut more from the nursing paperwork. This does not include the medical / AHP etc documentation still required in paper format on the wards. The reduction in paper reduces some of the risk however, records management team are still continuing with targeted training on wards where there have been issues identified. Jan-24: Ward visits undertaken by records management staff to ensure loose notes collected from sites. As a part of the Digital Strategy, a review will be undertaken for a review of digitisation of the remaining health records, with a key requirement being eForms. With reference to R4, we can pick up any further improvements to be made to loose patient record filing. Nov 23: The promotion of good practice continues and the roll out of WNCR at NHH has commenced.	Further rollout of WNCR in YYF, YAB, NHH will reduce the loose records and guidance will be provided to the staff on the wards in these areas.	Training of ward clerks where there are issues identified is ongoing and datix reports submitted where substantial breaches are identified.		31/03/2025
Internal	2022.15	IT Strategy	Reasonable	Director of Digital	Medium	R2	The role of the CCIO and CNIO should be fully defined.	2.1a The CCIO currently has an AMD role profile. There has been discussions for some time in terms of role design and accountability with the CCIO MD CEO and CDO. A model role profile based on the Faculty of Clinical Informatics example has been agreed and is now being localised. The CNIO has a full role profile and agreed Job description	01/06/2023	-21.93	31/05/2025	2.00		Overdue	Not Yet Due	3	"January 2025 A clinical lead workshop is being held in the first week of February and this will be used to frame the future of clinical engagement and leadership of digital. "October 2024: CNIO JD reviewed and shared with Digital Director and Assistant Director of Nursing for consideration. March '24 - no confirmation of resourcing to support clinical engagement. Position not changed. CNIO position to be reviewed with Digital / Nursing directors with the retirement of current CNIO in July '25 Jan 24: Future arrangements and resourcing to support the clinical engagement across the Health Board will be presented to the Executive Committee in early March. This will create a formal structure of CNIO and CCIO's and a relaunch of the Clinical Council. Nov 23: CNIO role established. Work continuing on formalising the CCIO role. Aug-23: CNIO aspects of this have been met				31/03/2025

Internal	2022.15	IT Strategy	Reasonable	Director of Digital	Medium	R3	Leads within divisions should be established to work with the CCIO / CNIO	The principle of Divisional Leads is accepted by the health board. The proposition now needs to be explored and defined in a proposal by the CCIO and CNIO to the Digital Delivery Oversight Board.	01/06/2023	-21.93	31/05/2025	2.00		Overdue	Not Yet Due	3	"April 2025 - Clinical workshop has been completed and paper on clinical engagement is being brought to the Executive Committee in May 2025. Clinical Council now meeting." "January 2025 A clinical lead workshop is being held in the first week of February and this will be used to frame the future of clinical engagement and leadership of digital. "October 2024: Clinical engagement model still not approved. Council being reformed Dec '24. Workshop being undertaken with clinical leads in early November to discuss arrangements going forward. March'24 - Dependency on agreement of clinical engagement model. This can not be undertaken until that is agreed. HAR group review has identified a number of stakeholders who would like to join the council Nov 23: Council not met for several meetings due to capacity issues and will need to be considered due to winter pressures so ToR will be looked at when we meet again Aug-23: Clinical Informatics Council in place and meeting scheduled every 6 weeks, however service pressures have resulted in over half the meetings this year cancelled. More formal job planning needed to release resources to attend	Lack of job profiling to support time to release clinical staff to attend			31/03/2025
Internal	2022.20	Tredegar Health & Wellbeing Centre 2023	Limited	Chief Operating Officer	Medium	R4	Management should obtain signed lease agreements with relevant parties at the earliest opportunity	Agreed. The provision of signed lease is being actively addressed so that they are in place well before the planned occupation of the building.	01/06/2023	-21.93	31/07/2025	4.00		Overdue	Overdue	4	"April 2025: ""The leases are now reduced from 4 to 3 leases but the main sticking point is the service charge, it has now been agreed that the contractors will only pay for their demises. Unfortunately a new risk has come to the surface. The Welsh Risk Pool has questioned if they can indemnify contractors in ABUHB buildings. Both ABUHB W&F and SES supported by legal and Risk are working through the issues with the Welsh Risk Pool, It is estimated an agreement will be in place by the end of April 25. Dentist – Is happy to sign once he has the Service agreement cost. He has also asked about reduction in rent. I think we can achieve this by spreading the furniture repayment across a longer period. He has also agreed to take ownership of the dental chairs and will replace himself when required. Meeting held with the dentist 01/04/25 to confirm no change. Pharmacist – Happy to sign once the full service charge costs are finalised. Meeting held with the Pharmacy 01/04/25 to confirm no change. Glan Yr Afon – SOA completed SES with no change to square meterage. Tredegar – The lease is no longer applicable at this time. Tredegar Practice reverted to a managed Practice as of 01/04/25. Lease negotiations will recommence, when the Practice is taken over by a contractor sometime in the future."January 2025: "All 4 lessees are there or there about, the main sticking point is the service, once advised if it's the demies and shared	None	N/A		31/03/2025
Internal	2022.25	Integrated Wellbeing Networks	Reasonable	Director of Public Health	Medium	R2	Management should clearly identify what a successful IWN project is, and future projects undertaken by the local IWN communities (e.g. projects identified within the IWN annual plans) should state SMART goals whereby the success of the project can clearly be defined. Management should also identify what success of the IWN programme in each community looks like and once that target is achieved be able to move to other areas of need and implement the programme within those locations	An independent advisory group of academics has been created due to meet in July 2023 to advise on (a) measures of evaluating progress towards the strategic objectives of the IWN programme in each place-based area of operation and (b) longitudinal methods for measuring community wellbeing in an evidence-based manner to understand how and whether the IWN programme is impacting on population wellbeing in its place-based areas. It is anticipated by September 2023 that a new evaluation framework will be proposed by this advisory group, with funding now apportioned for the appointment of a commissioned researcher to undertake an evaluation and embed this framework in programme monitoring for IWN into the longer-term. This will set the direction of success for local IWN projects, allow SMART goal planning and measure the success of the programme to enable exploration of working in other geographic areas in future. The evaluation work will be complete by 31st October 2023. The programme is planning to apply the King's Fund model for community-orientated needs assessment in defining success in each of the IWN areas to set goals for local areas and establish measures of success from 2024/25.	01/10/2023	-17.93	01/01/2026	9.05		Overdue	Overdue	2	May 2025: "A new community model is being developed that will encompass the work of IWN and be central to place based working model. This model has been discussed at Informal Executives, ISPBs and will be going to Board development session. This model is being developed so ensure a universal model of wellbeing to the population of Gwent that will be proportionate to need across all locations with Gwent, tailored to local population need. This will be developed using SMART goals. The new community model forms a strong link into placed based care and creates sustainability for the foundations that the IWN programme has created and the new community model is the next phase of evolution to deliver sustainable placed based care. The current IWN programme has clear objectives supplemented with theory of change, due to the move to placed based care, the measures are being developed to reflect new ways of working at a community level." The IWN service was due to be evaluated by a process to consider the efficacy and impact of all RIF funded programmes, due to conflicting priorities this has not taken place. We are therefore undertaking an internal evaluation to review the work of the IWNs to date and also undertaking a mapping exercise to see what resource exists at a community intervention level and there impacts. This also needs to be considered in the policy context of the new social prescribing framework which will also inform delivery of community level interventions.	A larger piece of work is needed due to the new policy context.	"2025/26 is a test year in BG of development of the programme. 2025/26 - Fully costed model with roll-out implementation plan with SMAR objectives will be defined and agreed at Executives. 2006/27 - Fully operational model implemented."		31/03/2025
Internal	2022.27	Dementia Services	Reasonable	Director of Nursing	Low	R2	Consideration should be given to digitalise the "this is me" document and use it as a dementia passport document. Also, make it as a live document which could be further used for home care and nursing home settings	This is me is not a mandatory/Once for Wales NHS tool. There are numerous documents/versions of information that would identify a person needs etc. We shall discuss this and other documents at the next Dementia Board and suggest that Workstream 2a and Workstream 3 leads on this recommendation and determine the feasibility of adding this document to the newly developed patient information portal.	01/06/2023	-21.93	31/07/2025	4.00		Overdue	Overdue	2	Update: The All-Wales Dementia Standards of Care national workstream are taking the lead on the development of the Biographical tool digitalisation, which includes the "This Is Me", "Once for Wales" and "My wishes" document and digitalisation. The workstream membership includes representation from each Health Boards, region including Social Care Wales and PHW. When this is agreed the ABUHB Dementia Hospital Steering Group will identify an implementation plan. This is identified in the Dementia Hospital Steering Group action plan. October 2024: There is a national, NHS Biographical Tools task and Finish group who are reviewing the use of the various tools and the development of an App to support. March 2024: The challenge of raising awareness of the benefits of this biographical tool is part of an ongoing programme of improvements through the Meaningful Activities and engagement training delivered monthly from the patient Experience and Involvement team. The national Improvement Cymru team are facilitating an All Wales Biographical tool discussion and implementation group which will help support this message of this tool. Dates unconfirmed as being led by Improvement Cymru. Review September 2024 Nov 2023: Review of the outcomes from the National Audit of Dementia there is a recommendation for a relaunch of information to raise awareness of the diagnostic Code for Dementia on Clinical Workstation (136). The information will be added to the Internal Pulse web pages and shared through ABUHB email communication network.		June 2024: Patient stories continue to be collected and shared at relevant meetings. The PALS 6 monthly evaluation report contains a number of case studies for onward sharing and learning. Listening and learning from feedback is reported through QPSOC.		31/03/2025
Internal	2023.05	Facilities - Jan 2024	Limited	Chief Operating Officer	Medium	R7.3	Management should investigate the following system improvements and implement if appropriate: Bank: • the possibility of using the AllocateMe function within the Bank Staff system to create a better approach to allocating bank shifts to a wider pool of staff; • utilisation of Safe Care or Allocate to monitor when staff start and end their shift; and • the completion of the programme of work to prevent staff from completing all associated steps of approving and paying a bank shift.	The division will be rolling out the AllocateMe function as part of the Health Roster payroll drop down project. (The Health Roster payroll drop down project is forecasted to take twelve months)	31/01/2025	-1.93	31/03/2026	11.97		Overdue		0	This has been investigated and completed testing on the application. full roll out of system has been delayed due to the development of a wide ranging OCP consultation relating to administration and supervision within the Facilities departments.To enable the effective and sustainable implementation of this recommendation (along with many other positive benefits) the OCP proposes that Health Roster management will be centrally managed to ensure full roll out of the payroll drop down function and the coordination of Bank Staff System. consultation closes in May and subject to acting upon the final structure this can be implemented but will take the rest of the financial year to fully roll out across all areas of Facilities				31/03/2025
Internal	2023.06	Estates Condition - Jan 2024	Limited	Director of Strategy, Planning & Partnerships	Medium	R4.2	Management should update the Estates Strategy (or equivalent) for continued relevance to estates condition as appropriate.	Agreed – this forms part of forward work plan for the Planning, Population Health and Partnerships Committee.	31/03/2024	-11.97	30/09/2025	6.00		Overdue		2	May 2025: Agreement that Estate Strategy refresh follows Organisational Strategy. Aug 2024: Aa per the June update, the Organisational Strategy is expected to be completed by the end of the calendar year. The PPHPC is considering estates development in detail and receives regular updates on the strategy's progress. Update on plans for all owned Estate presented to PPHPC. Board Development session on Estates. Estates Strategy to follow Organisational Strategy. June 2024: Work is ongoing to maintain premises which will remain in the Health Board Estate Portfolio with no immediate plans in place. Plans are currently being progressed for Nevill Hall Hospital and St Woolos in line with the Estate Strategy where estate condition is poor. Organisational Strategy will be complete end of calendar year. March 2024: mCapital prioritisation complete. Estate Strategy will follow org. strat.				31/03/2025

External	2021.01EA	Audit of Accounts Report, 2020-21 – Addendum issued December 2021	Not Rated	Director of Workforce & OD	High	R1	The Health Board should review the arrangements in place to ensure that annual leave for all staff is accurately recorded and held centrally	The introduction of Medical E-Systems will ensure that all leave is recorded. The Health Board have agreed to procure a suite of Medical E-Systems with roll out in April 2022. However, departments have started recording leave in Electronic Staff Record (ESR). Communications will be sent to Medical Leaders in December 2021 to ensure that leave is recorded onto ESR pending the introduction of full Medical E-Systems.	30/04/2022	-34.95	30/11/2025	8.00		Overdue	Not Yet Due	2	April 2025 The Health Board are currently in the early stages of entering sickness absences via the roster following a period significant development and testing with Patchwork and ESR. Within the next 6 months the testing of annual leave recording will be undertaken via rostering into ESR. The intention will be to roll this out to all Divisions following successful testing. March 2024: "The Medical Workforce Rostering System will be implemented in the Health Board on a phased basis over an 18 month period. The absence management function of the new rostering system will enable the Health Board to record annual leave entitlements and will have a rolling balance of annual leave taken for individual doctors. The Health Board is in the process of setting up a new interface between ESR and Patchwork Rota to ensure all absence transfers from the new system to ESR. The implementation plan is being progressed and is phased by division and directorate. The plan is for the full implementation to be completed by April 2025. At that point all annual leave should be held on both rostering and ESR systems. The current medical annual leave policy is under review and a decision will be required before implementation on how annual leave will be recorded days/hours/sessions. " November 2023: Procurement completed. Draft Implementation plan being discussed with Divisional Directors. Roll out to commence in January 2024.	Aug 2023: Given current pressures on staff it is not felt that a interim system change of 12 months would be beneficial Cultural issue anticipated that it will take longer than June 2023 to realise in full. Given current pressures on staff it is not felt that a interim system change of 12 months would be beneficial Cultural issue anticipated that it will take longer than June 2023 to realise in full.	Aug 2023: Executive Team. Legal and Procurement advice	September/October 2023 for full implementation following procurement and implementation of the new data base. Ongoing evaluation of OT provision. Request extension to September/October 23.	31/03/2025
External	20219EA	Primary Care	Not Rated	Chief Operating Officer	N/A	R4c	Subject to positive evaluation, begin to fund these new models from mainstream funding, rather than from the Primary Care Development Fund.	Work has already begun and services such as Wet AMD for ophthalmology and extended skin are now funded as a core service which was initially established through pace setters			20/12/2025	8.66		Overdue	Overdue	1	May 2025: WG signed off the transition plans for the implementation of integrated pathways for WGOS and an allocated core budget is now in place. A business case for Psychological Wellbeing Practitioners has been developed and progressed through the Pre-investment Panel, this will progress in 2025/26 and any further models to support the "left shift" of resources will be developed into business cases. Budget transfer arrangements in place for extended skin services, which were originally established through pace setter funding and awaiting WG sign off of the WGOS 4 transition plans for the implementation of integrated pathways for Medical Retina, Glaucoma and Hydroxychloroquine services. The expectation is that current ODTG centres will transition to WGOS 4 over the coming months and no later than March 25, an allocated core budget is in place for WGOS services. Business case developments are required for other beneficial models to support the "left shift" of resources, a case for Psychological Wellbeing Practitioners will be developed for consideration in 2025/26 financial year.				31/03/2025
External	2022.03EA	Structured Assessment 2022	Not Rated	Director of Corporate Governance	N/A	R2	R2 Information presented to Board and committees does not always provide the required assurance. Some papers are too long, detailed, and technical. Cover reports continue to follow an SBAR format, but there is variation in their use. The Health Board, therefore, should develop training and guidance for Health Board staff around the reporting expectations and quality of information presented to the Board and its committees.	The Health Board arrangements to ensure the quality and timeliness of information presented to Board and committees still require strengthening. Papers are generally clear and contain the information required for effective decision making. However, there are issues concerning the Health Board's Integrated Performance Dashboard, IMTP progress report and financial reports relating to data quality and timeliness, a lack of information on whether intended outcomes of improvement actions have been achieved and limited benchmarking of performance with other Health Board's. We also found the presentation of some information in supporting papers and appendices unclear. Board and Committee reports can be overly long and detailed, and there are opportunities to better summarise the information (see 2023 recommendations 2 & 3) his should help reports focus on key matters and reduce the overall volume of papers for Board and Committee meetings.	31/03/2023	-23.97	31/03/2025	11.97		Overdue	Not Yet Due	2	May 2025: GGI recently commissioned to support board development, this will include a focus on board papers to enable a programme of training and guidance to be implemented. January 2025: This work has been delayed due to unforeseen vacancies within the corporate governance directorate. Recruitment is underway. A process to procure board development support is also underway which will include a focus on effective report writing and presentation. March 2024: Revised report templates will be developed and rolled-out for the new financial year, with supporting guidance. The provision of report writing training will also be explored.				31/03/2025
External	2023.04EA	Structured Assessment 2023	Not Rated	Director of Corporate Governance	Medium	R1	The Health Board should provide more timely access to records of committee meetings. It could do this either by ensuring that it livestreams or publishes recording of its committee meetings, or alternatively it could public unconfirmed committee meeting minutes shortly after the meeting	The Health Board remains fully committed to operating with openness and transparency. Greater transparency of the Board's committee business will be implemented, building on existing practices.	30/04/2024	-10.98	31/12/2025	9.02		Overdue	Overdue	2	May 2025: Livestreaming of Board meetings commenced in March 2025, with technical upgrades made to support this. Livestreaming of committees will be rolled out in a phased approach during Q2-Q3 2025 October 2024: A Project of work is underway, working with the Digital Directorate, to assess solutions for live streaming across all committees to ensure effectiveness. June 2024 - This action is included with the Improving Board Business Action plan which is with the Director of Corporate Governance. The focus of activity has however been upon ensuring consistency of processes of board business through the development and agreement of a documented end to end process. Discussions at Director level continue regarding the move to live streaming meetings but a date has not been agreed.				31/03/2025
External	2023.04EA	Structured Assessment 2023	Not Rated	Director of Corporate Governance	High	R2	The Health Board should develop training for Health Board staff around the reporting expectations and quality of information presented to the Board and its committees.	The Health Board will be working to review and update its corporate report templates, alongside developing clear guidance and support for the preparation of Board and Committee reports. Securing additional training will also be explored.	30/06/2024	-8.98	31/03/2026	11.97		Overdue	Not Yet Due	2	May 2025: GGI recently commissioned to support board development, this will include a focus on board papers to enable a programme of training and guidance to be implemented.	January 2025: This work has been delayed due to unforeseen vacancies within the corporate governance directorate. Recruitment is underway. A process to procure board development support is also underway which will include a focus on effective report writing and presentation.			31/03/2025
External	2023.04EA	Structured Assessment 2023	Not Rated	Director of Corporate Governance	High	R3	The Health Board should establish a robust quality assurance mechanism to review the quality of reports for its Board and Committees.	The Health Board is currently reviewing its Board and Committee administration processes, including key performance measures. This will include a focus on the quality assurance process with clarity on expected standards. This will also be supported by work in respect of report writing development in recommendation 2.	30/04/2024	-10.98	31/03/2026	11.97		Overdue	Not Yet Due	2	May 2025: GGI recently commissioned to support board development, this will include a focus on board papers to enable a programme of training and guidance to be implemented. June 2024 - This action is included within the Improving Board Business Action plan which is with the Director of Corporate Governance. The focus of activity has however been upon ensuring consistency of processes and procedures within board business through the development and agreement of a documented end to end process.	January 2025: This work has been delayed due to unforeseen vacancies within the corporate governance directorate. Recruitment is underway. A process to procure board development support is also underway which will include a focus on effective report writing and presentation.			31/03/2025

External	2023.05EA	Review of Workforce Planning Arrangements	Not Rated	Director of Workforce & OD	High	R1.1	While the Health Board has a three-year People Plan, the current approach to strategic workforce planning is not balanced and instead biased towards shorter term transactional workforce solutions. The Health Board's current service model is not sustainable given current demand, and this is affecting the performance and financial position. The Health Board should update its 5 and 10-year planning process, including clinical futures plans and workforce projections to ensure that they appropriately support the implementation of financially sustainable service models.	The Health Board is currently engaging and will be consulting on a renewed long-term strategy up to 2035 throughout 2024. This will involve developing the strategic outlook to inform and develop workforce planning.	31/12/2024	-2.95	30/09/2025	6.00		Overdue	Not Yet Due	1	"April 2025 Whilst this action was reporting in the Workforce Planning Audit, it relates to Health Board Service Strategy and workforce planning projections will be informed by the Health Board's long term strategy which is currently in development. Therefore, the timeline has been appropriately adjusted to reflect the long term strategy development." January 2025: Initial draft is being developed following engagement during 2024. There will be a series of workshops end of Feb/early March to review the document and actions within it. The plan is to publish March/ May pending Board approval."				31/03/2025
External	2023.05EA	Review of Workforce Planning Arrangements	Not Rated	Director of Workforce & OD	High	R1.2	While the Health Board has a three-year People Plan, the current approach to strategic workforce planning is not balanced and instead biased towards shorter term transactional workforce solutions. The Health Board's current service model is not sustainable given current demand, and this is affecting the performance and financial position. The Health Board should update its 5 and 10-year planning process, including clinical futures plans and workforce projections to ensure that they appropriately support the implementation of financially sustainable service models.	The refresh of the People Plan for 2025 will include strategic outlook to 5 and 10-year forecasts based on the work currently undertaken on census, demographics and population needs analysis assumptions. This is addition to development and implementation of National Workforce plans supported by HEIW and Health Board workforce strategies e.g., Nursing, Midwifery, School and Public Health Nursing Workforce Strategy 2023-2026.	30/05/2025	-1.97	30/09/2025	6.00		Not Yet Due		0	April 2025 Whilst this action was reporting in the Workforce Planning Audit, it relates to Health Board Service Strategy and workforce planning projections will be informed by the Health Board's long term strategy which is currently in development. Therefore, the timeline has been appropriately adjusted to reflect the long term strategy development.				31/03/2025
Internal	2023.16	Medical Equipment & Devices - Ultrasound	Reasonable	Director of Allied Health Professionals	Medium	R2	We recommend that services using ultrasound equipment ensure all items are covered by appropriate service or maintenance contracts and are tracked centrally.	Monitoring of service and maintenance contracts is managed through individual departments as well as the EBME service. The physical verification audit will be utilised to ensure equipment has a current maintenance contract as well as evidence that maintenance has taken place within the prescribed period. EBME will investigate potential for MEDUSA to hold contract information centrally on MEDUSA. The system can be set up to provide Alerts. The alert can be used as an early warning indicator for both EBME and the owner that equipment is approaching a maintenance period. If, after investigation, the potential is not viable or investment required not available, then this particular set up on the system will not be implemented; this is not critical to the Health Board meeting the	01/11/2024	-4.92	30/06/2025	2.98		Overdue	Not Yet Due	1	May 2025: "Contracting information is requested as part of the Ultrasound equipment electronic audit form. This will result in Information being made available to EBME regarding current state of contracting for all ultrasound equipment. Whilst the Medusa module has been deemed appropriate to centrally manage the information. The EBME department does not yet have the capacity to procure, implement and update this system. An alternative , short term excel database solution will be implemented in the meantime January 2025: "This is the first progress update. An additional contract module for Medusa is available, however it has not been purchased to date. This purchase is being reviewed given the potential financial benefit to the organisation in maintaining robust information on management of service and maintenance contracts. If a decision is made not to purchase (either through finance pressure or module deemed not fit for purpose) then a less effective but adequate process can be put in place to reconcile contract/servicing information against US equipment. The organisation will have an accurate record of equipment once the physical verification exercise has fully completed. There is a risk that existence of multiple small-scale contracts with the same company is more costly than if these were aggregated and their set up linked into procurement journeys; this is				31/03/2025
Internal	2023.34	Waiting List Management Final Internal Audit Report.	Reasonable	Chief Operating Officer	High	1.1a	Management should review the process of managing waiting lists. A targeted approach to continual validation of patients ensuring they are on the correct pathways and are not duplicates should be undertaken.	The Planned Care Academy purpose is to ensure that education and training of staff becomes embedded into ways of working, to develop and support staff as well as improving the effectiveness and compliance with national requirements relating to management of patients on their pathways. The development of tools, bespoke training packages, policies and standard operating procedures has now been completed. Initial training will provide basic RTT knowledge targeted at new starters and staff whose dealings with patient pathways are minimal. This cohort must still understand the concept of the 26 week pathway and the consequences of failing to record information correctly and in real time. Advanced RTT training is aimed at staff who require a full understanding of the 26 Week Rules. A comprehensive range of WPAS modules have been developed mirroring the patient pathway and designed to be role based i.e. tailored training. The training will include DNA's, how to rebook, the rules around Non-Admitted, Admitted and Incompletes, how to validate a PTL and what to look for within the data of a PTL to help manage pathways. Staff will learn how to record patient pathways correctly using the appropriate National RTT Status codes on WPAS. Refresher training	30/09/2024	-5.97	30/11/2025	8.00		Overdue	Overdue	1	Apr 2025: The OCP process is currently underway and a recruitment exercise will be conducted to establish a new WPAS Product team responsible for delivering training. In the interim, the Information Development Manager and WPAS Service Manager are collaborating to identify solutions for bridging the gap in training support. The booking app is in place and will be available as part of the soft launch in mid November. Training materials and lesson plans will be reviewed and updated following the anticipated release of revised RTT rules 16/04/25 to ensure alignment. Jan 2025: the OCP process within DDaT has not yet commenced therefore no progression has been possible in respect of the WPAS team undergoing train the trainer and fulfilment of the delivery arm. The training materials are complete, scenarios and competency tests created. The app is with the MS365 team to provide some further enhancements. Future progress of the workstream will be transferred to Information Services when the OCP is concluded as the current workstream lead is retiring.October 2024: OCP process beginning in DDaT, part of which is the creation of the WPAS team who are required to deliver the training. This process has now commenced. New revised training materials, user guides are complete together with scenario based training to test competency and understanding. An app is in the final stage of development to allow users to book onto training sessions and this will also include refresher training for existing staff. A soft launch is planned for mid November.				31/03/2025
Internal	2023.37	Newport East Health and Wellbeing Centre	Reasonable	Director of Public Health	Medium	5.2	The Capital and Estates Board should be advised on the potential impact (and further consequences if additional monies are required) on the discretionary programme, any reduction in other targeted investment priorities and associated risks in the event of additional Welsh government funding not being provided.	The financial position is discussed through the capital and estates group and is also reported and discussed at the Capital Review Meeting with Welsh Government. Financial position is also included as part of the financial reporting	30/11/2024	-3.97	31/07/2025	4.00		Overdue	Not Yet Due	2	May 2025 -Capital and Estates Board are updated as part of the All Wales Capital Update. Project is currently being managed within the current financial budget of the Project. Should there be any additional funding requirement in relation to the outstanding compensation events, this will now be managed through Discretionary. January 2025:Capital and Estates Board are updated as part of the All Wales Capital Update. Project is currently being managed within the current financial budget of the Project. Should there be any additional funding requirement, this will now be managed through Discretionary.				31/03/2025
External	2024.01EA	Structured Assessment 2024	Not Rated	Director of Finance and Procurement	N/A	4.1	R4.1 Introducing a self-assessment on Standing Financial Instruction compliance	A self-assessment of Standing Financial Instructions will be established as part of the annual review at year end to the Audit, Risk and Assurance Committee.	31/03/2025	0.00	30/07/2025	3.97		Not Yet Due		0	May 2025: This action remains in progress and will aim to be closed at the end of Q2				31/03/2025

External	2024.02EA	Review of Cost Savings Arrangements - ABUHB	Not Rated	Director of Finance and Procurement	N/A	2.2	The Health board should put clear arrangements in place to canvass savings and efficiency ideas from service users and other stakeholders	Arrangements to identify opportunities for improvement from patients and stakeholders are based on a range of approaches, including patient involvement in consultations, specific project work (e.g. Value based healthcare projects) and receiving feedback from Liais. Opportunities to learn from patient compliments and complaints are also taken as part of learning across all services. Patient stories are also used as a mechanism to identify good practice. We are also promoting the Bevan Commission campaign of "Silly Rules" within the organisation, encouraging service users, stakeholders and staff to identify opportunities, through the review of "silly rules" to improve, streamline or where appropriate remove steps, requirements or processes. We will review the outcome of this work to see if there are local opportunities.	30/03/2025	-0.03	30/07/2025	3.97		Not Yet Due		0	May 2025: Awaiting Bevan report to be published for consideration					31/03/2025

Appendix C: Remaining Recommendations

Audit Type	ABUHB Ref No:	Report Title	Assurance Rating	Director	Priority	Recommendation No.	Recommendation	Management Response	Deadline Agreed in Final Report	Months passed Agreed Deadline	Proposed Revised Deadline	Months passed Revised Deadline	Date Revised Deadline was approved by ARAC Committee	Final Report Deadline Status	Revised Deadline Status	Number of revised Timescales Requested including new request	Progress of work underway	Barriers to implementation including any interdependencies	How is the risk identified being mitigated pending implementation?	What evidence is available to close/complete the recommendation?	Reporting Date
Internal	2020.00	IM&T Control & Risk Assessment 2020/21 - Advisory	Not Rated	Director of Digital	N/A	R6	R6 Consideration should be given to the placement of all informatics provision and support across the Health Board. As part of this the current partially decentralised model should be re-assessed in terms of its suitability for the modern use of technology.	Accepted. Following the exec review of the Target Operating Framework and overarching governance will appraise the hybrid environment of departmental asset ownership, responsibility, risk management. As the report sets out this is a largely historical and organic model which will be complex to resolve in itself. A risk based approach will be adopted and an options paper will be developed for consideration by the Board.	31/12/2022	-26.92	31/12/2025	9.02		Overdue	Not Yet Due	4	May 2025: No update awaiting Internal Audit work. "January 2025 Internal Audit have been tasked to undertake a specific audit of Shadow ICT as part of their 2025 audit plan. The organisational change process for Service Management structures is underway and due to complete April 2025." June 2024: Phase 1 of the structural changes are underway to support formalisation of Service Management structures and WPAS product team. Job description development is underway for senior roles across the directorate. January 2024: The target operating model has been reviewed by the new Director of Digital and a proposal on the revised structure will be presented to the Executive Committee in April 2024. This structure will bring forward some options on the current decentralised model in some departments.				31/03/2025
Internal	2020.00	IM&T Control & Risk Assessment 2020/21 - Advisory	Not Rated	Director of Digital	N/A	R9	R9 A network of champions across the organisation should be established. The Digital Strategy should be re-issued alongside the roadmap. This should form the basis for engaging the network of champions to drive the Strategy forward.	Accepted-The Channel 3 report also identified a need for more emphasis on Clinical Leadership, Design and Business Partnering. This is subject to additional investment although recently the appointment of a full time CNO/CSO has been a significant step forward. Outwith the Directorate recommendations will be presented to Execs on overarching exec level oversight which is intended to both strengthen accountability but also to ensure Informatics capacity is used to best effect. Benefits realisation training has commenced in Informatics and will form part of reporting. It is in principle agreed that the Health Board adopts a single methodology and framework that should be co-produced to manage all priority investments.	30/09/2021	-41.90	30/09/2025	6.00		Overdue	Not Yet Due	5	"April 2025 - Data & Analytical Strategy approved by the Executive Committee and work on component strategies underway for Health & Care Record, Information Governance / Cyber Security and Technical Infrastructure. The Digital Strategy will be reissued following the publication of the Health Board's 10 year strategy." "January 2025 Digital champions across all in-patient areas for WNCR Digital Clinical Council reformed and meeting 5th Dec '24, Reporting to Clinical Advisory Forum At the request of Planning, the development of a new Digital Transformation Strategy for ABUHB will commence once the ABUHB 10 year strategy has been agreed. An OCP has been agreed and will be consulted on in Q4 2024/25 that includes a refreshed strategy, planning and engagement function that will further develop stakeholder engagement at local, regional and national level. ""August 2024: Digital Champions in place through the M365 Team. Business partnering to be reviewed by DDaT Senior Leadership Team" January 2024: The Digital Champions network for Microsoft 365 has been relaunched				31/03/2025
Internal	2020.00	IM&T Control & Risk Assessment 2020/21 - Advisory	Not Rated	Director of Digital	N/A	R13	R13 Critical assets should be identified within the asset and configuration management systems.	Agreed. This in part is due to the devolved nature of informatics. The first step will be presenting the new operating framework's overarching governance recommendations will provide oversight. A strategy, policy and resultant business case will be developed following the Health Board adoption of the reviews recommendations.	31/12/2021	-38.89	31/07/2025	4.00		Overdue	Not Yet Due	4	April 2024 - Implementation of the new security platform has commenced at the Grange University Hospital and configuration of the platform is underway. August 2024: A review of the cyber security plan and Information Asset Register has identified significant work remains to understand critical assets across the estate alongside the new security platform mentioned in the April 2024 which has now been funded by Welsh Government. This platform will be in place by March 2025 so this work will now not be completed until July 2025, in the meantime all assets will continue to be protected by our cyber security controls. January 2024: New Cyber Security Assurance Group will be meeting in January 2024 and will provide assurance through the Information Governance Sub-Committee including progress against the NIS action plan which has now been developed. A component of this action plan is the identification of critical assets, further timelines will be developed after the first meeting of the Cyber Security Assurance Group. In addition, the Cyber Resilience Unit will be visiting the Health Board in late January to discuss progress against the Network & Information System Regulations. In April 2024 work will commence on the Health Board's new security platform which will provide visibility of all assets connected to the network which will improve the visibility of critical assets which may not be managed by the directorate.				31/03/2025
Internal	2020.00	IM&T Control & Risk Assessment 2020/21 - Advisory	Not Rated	Director of Digital	N/A	R14	R14 The asset and configuration management processes developed within the Informatics Directorate should be adopted as Health Board wide documents and departments with devolved control required to comply with the requirements.	Accepted. The HB governance, policy and processes will be reviewed as part of the SIROs objectives with resultant recommendations to Board. Informatics will need to review internal processes and capacity to ensure it can scale to meet the challenge.	31/12/2021	-38.89	30/06/2025	2.98	08/02/2024	Overdue	Not Yet Due	3	January 2024: No progress, wider asset management approach and configuration management approach to be formalised during 2024/2025 financial year. Aug 2023: Awaiting next HBOTS meeting.				31/03/2025
Internal	2021.05	Pathology	Reasonable	Chief Operating Officer	Low	R8	R8 The Health Board should complete a refresh of the latest workforce planning exercise (including associated laboratory space and equipment), to ensure the service requirements can still be met over the next five years and beyond. Where additional resourcing / facilities are required, these should be factored into the IMTP process.	To review and update workforce plans as appropriate. Workforce is factored into the IMTP	24/02/2022	-37.08	01/09/2026	17.02	08/02/2024	Overdue	Not Yet Due	3	January 2024: Workforce model to address Demand and Capacity gap for Cellular Pathology laboratory has been developed that will allow annual laboratory demand to be repatriated from outsourcing from April 2024. Equipment requirements to support repatriation of outsourcing are identified and included in Divisional Capital request for 24/25. Plan in progress to reconfigure current accommodation in Pathology block in RGH to provide suitable medium term accommodation (ETA for accommodation plan 31/03/24). Wider Cell Path workforce plan to include Digital Cell Path future challenges to be developed (ETA end of 24/25). Microbiology WFP has been developed and continues to be reviewed and updated, with HR input, as the landscape regarding Health Protection Services (HPS [formally COVID]) develops. Current core, HPS and Hot lab WFP being reviewed to define impact to service if current funding streams are not recurrent. All managers were asked to review their workforce plans following the audit. The Cellular Pathology workforce plan is included in sustainability paper, JH has confirmed the paper will need to be re-reviewed if 7 day working is planned. Mortuary workforce	Time constraints: Accurate workforce planning takes a considerable time to complete. Managers need to manage staff and departments while ensuring other strategic and operational tasks are undertaken on a daily basis to ensure continuation of safe service delivery.	Agency staff being utilised at a cost. Overtime being utilised at a cost. Scrutiny forms and SBARS submitted to request additional staff that are urgently required prior to implementation of revised workforce plans.		31/03/2025

Internal	2021.12	IT System Controls (WRIS)	Reasonable	Chief Operating Officer	Medium	R10	R10 The WRIS backups should be subject to regular testing / restore to ensure validity.	A request to ensure that a process for regular testing of the back up to ensure their validity will be made.	30/04/2022	-34.95	30/04/2026	12.95		Overdue	Not Yet Due	3	April 2025 - Radis is no longer being developed with the RISP project with all resource being focused on the data migration and rolling up of the RadIS team. We are expected to go live with a new RIS to replace RadIS November 24th 2025 at the moment. The ABUHB RISP Project Board meet monthly and feed into a National Project Board on a monthly basis. January 2024: Please refer to completed assurance report. Nov 2023: WRIS backups with recent upgrade work proved to be reliable.					31/03/2025
Internal	2021.12	IT System Controls (WRIS)	Reasonable	Chief Operating Officer	Medium	R5.1	R5.1 The Board should introduce a completeness check to ensure that all requests received have been entered into WRIS.	Staff have SOP's and checks when putting forms on however human errors do occur without fully electronic requesting.	30/06/2022	-32.95	30/11/2025	8.00	09/07/2024	Overdue	Not Yet Due	2	June 2024- the position remains the same, we have got SOP's in place with the process of receiving a request from any referral source. There will still be some element of human error with this being a manual process to create the requests. The only true solution is electronic requesting that integrates with out RIS which we currently don't have but are looking towards for the PACS/RIS. The go live date for the new PACS/RIS is November 2025. This work should include working with IT and software development to integrate the new products and an electronic requesting system that will integrate with the new RIS. March 2024: Position remains the same as started with January 24 Assurance report, further progress expected May 24. January 2024: Please refer to completed assurance report.		Targetted training is provided to teams in the meantime.		31/03/2025	
Internal	2021.12	IT System Controls (WRIS)	Reasonable	Chief Operating Officer	Medium	R5	R5 The Board should investigate an electronic solution to uploading requests into WRIS.	Radiology have requested CWS to work with WCP for fully electronic requesting.	31/03/2022	-35.93	30/11/2025	8.00	09/07/2024	Overdue	Not Yet Due	2	June 2024- we are currently live in two GP practice using WCP's electronic requesting solution that integrates with our RIS so we it process the request electronically. We will be looking to roll this out in another two GP practices over the next 6 months. This is the chosen solution of RISP or whatever we currently have. There will be discussions with software development and the CCIO over the summer along with Philips and Soliton our new PACS/RIS providers to discuss true electronic requesting. Integrated electronic requesting was a part of RISP. The solution provided by Soliton the new RIS provider was not selected. There will be meetings between ABUHB and Philips/Soliton do discuss a live fully integration electronic requesting solution for the go live date of November 2025. March 2024: Position remains the same as started with January 24 Assurance report, further progress expected May 24. January 2024: Please refer to completed assurance report. Aug 2023: The UAT has been passed and this is currently being looked at by informatics	Aug 2023: Required scoping, testing and development and planned for software development Needs to be agreed locally and product developed to suit ABUHB			31/03/2025	
Internal	2021.12	IT System Controls (WRIS)	Reasonable	Chief Operating Officer	Medium	R7	R7 The success of the use of the leavers list should be monitored to ensure that it works as anticipated and that all leaver accounts are removed on a timely basis.	We monitor this as much possible in Radiology. We have recently started receiving consultant leaver's lists from the Health Board and action these also. The success of the process will be tracked and evaluated to ensure it is working.	30/04/2022	-34.95	01/12/2025	8.03		Overdue	Not Yet Due	3	Aug 2024: We are still limited to users outside of Radiology but there is communication for those internal to Radiology though it's not automated and dependant on people informing us of this. Outside of Radiology IT should disable their account in AD which will disable their access to the Healthboards systems. The new RIS/PACS access is dependant on being added to the appropriate AD groups which will be disabled when they leave the Healthboard. June 2024- the position remains the same, any leavers within Radiology we are informed alongside their Nadex being deactivated by the admin Team in Radiology. In the new PACS/RIS solution provided by Philips and Soliton the accounts will be linked to active directory. This will stop their access to Radiology systems alongside with their access to any PC's in ABUHB. March 2024: Position remains the same as started with January 24 Assurance report, further progress expected May 24. January 2024: Please refer to completed assurance report. Aug 2023: Any leavers we will make inactive unless access is required for global imaging within PACS or cross boundry electronic requesting if they are still working within the Welsh NHS. We are still dependant on this list being provided.				31/03/2025	
Internal	2021.12	IT System Controls (WRIS)	Reasonable	Chief Operating Officer	Medium	R8	R8 The Health Board should request that this logging function be developed and should consider feeding WRIS events into the SIEM.	The health board have raised this at DHCW CAB along with other health boards. This is with DHCW to develop it is not in any Live RadIS version currently.	31/03/2022	-35.93	01/12/2025	8.03		Overdue	Not Yet Due	3	Aug 2024: There is no adequate audit functionality within RadIS and with the product being soon end of life there will be no solution until the new PACS/RIS is in place which has thorough audit functionality. June 2024- the position remains the same and would be with DHCW to develop for RadIS. Any enhancements and developments have been stopped by DHCW as they work to migrate the RadIS data over to our new RIS Soliton. DHCW would need to develop this and with RadIS no longer being an NHS system once the new PACS/RIS is in place it won't be an issue then as the audit trail is full and comprehensive in the new solution. March 2024: Position remains the same further progress expected May 24. Currently with DHCW to develop,	Time and resource in RadIS. As well as pending RISP program may not help development.			31/03/2025	
Internal	2021.12	IT System Controls (WRIS)	Reasonable	Chief Operating Officer	Medium	R9	R9 A formal disaster recovery plan for WRIS should be developed.	The Disaster recovery plan is to fail over to a mirrored system however, since the upgrade this needs to be re-visited and formally set out. ABUHB have a VMware environment where this is hosted. The Radiology departments have disaster recovery by using emergency packs in each department and a policy that explains how to use these emergency packs in a Radis downtime scenario.	30/04/2022	-34.95	01/12/2025	8.03		Overdue	Not Yet Due	3	Aug 2024: We don't have a mirrored DR system in place for PACS or RIS. We would still be dependant on setting up mini-PACS at each site which is time consuming and not a true DR system. The new PACS/RIS will be predominantly cloud based with short term storage and full functionality of our PACS in RIS in our DC in GUH and a smaller backup in our YAB DC. With the fibre connection between both DC the VLAN should stretch and we could have a true DR system for continuity. June 2024- the position remains the same. The business continuity plans in Radiology are extensive and well versed. There will be a more extensive disaster recovery solution with the new Philips/RIS solution. The solution will be cloud based with 3 years of on site storage with the full PACS and RIS capabilities within which is pencilled in for the GUH datacentre. There will also be a smaller disaster recovery solution with hardware being pencilled into the YAB datacentre if there are issues with the GUH datacentre. March 2024: Position remains the same as started with January 24 Assurance report, further progress expected May 24. January 2024: Please refer to completed assurance report. Aug 2023: The BC plans in radiology are quite extensive and well practiced	Aug 2023: Time and resource in RadIS. As well as pending RISP program may not help development.			31/03/2025	

Internal	2022.12	Records Managment	Limited	Director of Digital	Medium	R13	R13 All records should be formally tracked to ensure that they are retrievable when they are needed.	a.) The Business case for DHR phase 3 is in development, this will include the scanning of paper records to be available to view in CWS/cCube Portal negating the need for tracking. b.) Future phases for community, District Nursing, children's services and therapies are being planned and expedited and tracking will be implemented.	31/12/2023	-14.95	31/03/2025	0.00	09/07/2024	Overdue	Overdue	2	Jun 24 Business Case for digitisation of remaining services records awaiting agreement so that work can commence as per R5. Further risk identified where existing tracking on former Epex system has not been fully migrated to WCCIS. Mar 24 - Phase 3 Mental Health, Community, District Nursing, Childrens Services Business case with Director of Digital for review.					31/03/2025
Internal	2022.19	Discharge Planning	Limited	Director of Nursing	High	R3.1	All patient discharges from the care of the Health Board are effectively controlled and evidenced by issuing a timely, completed discharge notification.	The Medical Director is aware that the timeliness of some discharge notifications needs to be improved. A letter was sent to all medical staff outlining their responsibilities in respect of timely discharge notifications in 2021. This is now being followed up by the Assistant Medical Director for Planning who will be leading a task & finish group to develop standardisation of approach. This work will aim to ensure that patients are able to leave hospital with their discharge summary / notification and ensure it will be sent electronically to the GP on the same day	01/04/2024	#REF!	31/03/2025	#REF!		Overdue	Overdue	2	May 2025: CWS technical change due to be delivered in 2025/2026, ongoing discussions with Medical Director and Director for Data and Digital to streamline generation of discharge notifications in CWS, only generated on discharge not stepdown/transfer. Assistant Medical Director to pilot 'perfect week', ongoing engagement with medical staff re completion of discharge notifications, identify areas to focus on for improvement by site/ward, link with ops team to re measurement/patient flow, streamlining of mandatory field to reduce time completing. "January 2025: CWS technical change to be completed by end of quarter 4, 'perfect week' to be delivered in January/February, linking with Divisions and operational teams, standardised approach to be complete end oOctober 2024: Assistant Medical Director to pilot 'perfect week', ongoing engagement with medical staff re completion of discharge notifications, identify areas to focus on for improvement by site/ward, link with ops team to re measurement/patient flow, streamlining of mandatory field to reduce time completing, CWS technical changes due early next year					31/03/2025
Internal	2022.19	Discharge Planning	Limited	Director of Nursing	High	R3.3	A consistent discharge approach is adopted for all day care appointments and for inpatient transfers between Health Board sites	In respect of day care episodes of care, there are many diagnostic / treatment areas and specialities who have different methods of notifying both the GP and patient of the care episode. We acknowledge that this is not a standard approach with some departments combining the clinical details as the discharge summary. As part of the Task and Finish group, the Assistant Medical Director for planning will ensure that discharge notifications form part of the standardised approach. For inter-site transfers an SBAR is completed for every patient that outlines the patient's condition, diagnosis and any actions needed to be taken by the receiving site.	01/04/2024	-11.93	31/03/2025	0.00		Overdue	Overdue	2	May 2025:New SBAR/step down process rolled out w/c 6th January, review of new process at regular interval to flag any areas of concern, survey to staff to evaluate the new process reported into the Safety Flow operational group. Assistant Medical Director to focus on ensuring that discharge notifications form part of standardised approach through pilot of 'perfect week' with completion of a standardised approach Q1 2025/26"January 2025: New SBAR/step down process rolled out w/c 6th January, review of new process at regular interval to flag any areas of concern, update at Integrated Discharge Board on 28th January, survey to staff at 3/6 months to evaluate the new process. Assistant Medical Director to focus on ensuring that discharge notifications form part of standardised approach through pilot of 'perfect week' in January/February with completion of a standardised approach end of March 2025 June: SBAR documentation is embedded and used as standard in all inter site transfers. SBAR has review periods to make sure it is current and user friendly to ensure the correct information is on the document . The SBAR was reviewed May 2024 and new version will be rolled out August 2024					31/03/2025
Internal	2022.19	Discharge Planning	Limited	Director of Nursing	Medium	R7	We recommend that the Health Board continue to analyse the reasons behind re-admissions within a suitable period of time. Where themes and trends are identified that these are investigated further	The analysis of readmission rates is acknowledged as being problematic, as without clinical input at the time of readmission, our current systems are unable to differentiate between a readmission for a reason connected to a prior episode of care, or one that relates to a completely different clinical scenario. CHKS, which is the national benchmarking solution choice for Wales looks at the number of patients who have been readmitted regardless of specialty, consultant, diagnosis etc. This makes any analysis difficult to interpret or perhaps meaningless. The planning department is currently working with clinical teams to develop a number of meaningful measures to determine and understand readmission trends, and to identify where improvement is required. A number of data viewers have been developed and can provide 'bespoke' data by request. Moving forward, these measures will be included within the outcome measures and QPS insights. The Health Board has dedicated services to address frequent or 'high impact' service users that are working across Divisional Boundaries to provide alternative pathways. There is also a workstream focusing on patients at high risk of readmission supported by Lightfoot data and linked to goals 1 and 2 of the 6 Goals for Urgent &	01/10/2023	-17.93	31/03/2025	0.00		Overdue	Overdue	2	April 2025: Senior Nurse for Discharge at RGH and PCC to monitor readmission rates as part of the optimal ward model across three wards at RGH, Medicine, Community and Surgical, identifying reason for readmission aligned to the 50-Day Integrated Care Winter Challenge. Enhanced resource in Corporate Performance team to support analysis of discharge data and information. January 2025: Readmission rates to be monitored as part of the optimal ward model, across three wards at RGH, Medicine, Community and Surgical, identifying reason for readmission aligned to the 50-Day Integrated Care Winter Challenge. Enhanced resource in Corporate Performance team to support analysis of discharge data and information. Optimal ward model to commence 6th January with an evaluation point at end of March 2025 October 2024: The HB currently has the ability to monitor re-admsion rates, categorised as failed discharges, this can be broken down by site, speciality, ward, time and day of the week. June 2024: An initial meeting has been held and a scoping document is being prepared to develop a business case for a new data capture system to enable greater depth of analysis on discharge data and infomation March: There is work ongoing to streamline data analysis, to ensure data is more meaningful and will enable the monitoring of trends. The Executive Director of					31/03/2025
Internal	2022.27	Dementia Services	Reasonable	Director of Nursing	Low	R4	Consideration should be given to formally monitor (e.g. set KPIs) and report on • patients hospitalised outside of their catchment areas; and • moved from one hospital site to another one over their treatment time.	Workstream 5b (measurement) will consider appropriate KPI's and will extend an invitation to the Patient Flow Team to be members of the workstream	01/08/2023	-19.93	31/07/2025	4.00		Overdue	Not Yet Due	2	January 2025: There has been little progress on this objective but discussions are taking place within the Goal 1 discharge flow meetings. Patient flow team are invited to the ABUHB Dementia steering group but due to capacity and demands they have been unable to attend.. this will continue to be an action for improvement. March 2024: The Dementia Hospital Steering Group implements the All Wales Dementia Hospital Charter and as such are reviewing the KPI for measurement. The CWS Alert will help us to provide a framework to capture, admission, discharge, hospital moves and incidents. This Alert has been introduced in March 2024 and will be monitored and actions evolve as information is reviewed. The patient flow team have a regular invite to participate in the Dementia Hospital Steering Group. Nov 2023: Work stream 4 is the Hospital Dementia Friendly Charter, patient flow team have been invited to attend this meeting. There is also a audit parameter under the National Audit of Dementia. This will take a focused action as this aim is part if the wider hospitla admission and discharge work.					31/03/2025
Internal	2022.27	Dementia Services	Reasonable	Director of Nursing	Low	R4	Where operationally and clinically possible, a patient's locality should be considered as part of the admission / transfer process.	Patient Flow Team to consider this specific aspect, linked to the developed KPI's above	01/09/2023	-18.92	31/03/2025	0.00	12/11/2024	Overdue	Overdue	2	October 2024: An invite is extended to the Patient Flow team to attend the Dementia Hospital Charter workstream. There is a wider 6 Goal review taking place where members of the dementia, Patient Experience and Involvement team are invited to be part of. This workstream is focused on improving discharge planning, appropriate ward placements and transfers of care. March 2024: Invitations have been sent to the Patient Flow Team to join the hospital dementia group. Still awaiting representation to be confirmed. Nov 2023: The Welsh language team are invited to the Dementia Workstream 4 Hospital Dementia group. The have a dedicated Pulse page to enable staff to access resources and information to support patients to communicate in the welsh language. the person centred team also have a dedicated e mail address and can signpost people to the the Welsh Language team.					31/03/2025

Internal	2022.27	Dementia Services	Reasonable	Director of Nursing	Low	R4	There should be easily available information / training for staff to ensure patients can communicate with Welsh speaking staff.	The Workstream 4 (Hospital Charter) to link with the Welsh Language Lead and Workforce and Organisational Development leads to identify the number of Welsh Speaking Staff, identify how we can better identify Welsh Speakers and ensure access to Welsh Speakers as part of our Person Centred Care Dementia Care work programme.	01/09/2023	-18.92	31/03/2025	0.00	12/11/2024	Overdue	Overdue	2	"There is now a new EDI and Welsh language lead in post for ABUHB and will be approached to explore and identify areas of development and improvement. The dementia hospital steering group is reviewing the current 3-year plan and associated action plan, which includes this objective. A Meaningful Engagement and Activity Padlet has been developed to offer information, resources, training and signposting contacts in English and Welsh. All Pulse pages can be changed to access in Welsh. This is available on the internal Pulse pages and the external ABUHB web pages. A Welsh PSAG magnetic symbol has been produced and is now being used on the patient bedside boards to indicate that the person is a Welsh speaker. Staff use the landyard and Welsh language symbol on their uniform which helps identify them as Welsh speakers. " October 2024: Unfortunately a vacancy within the Welsh language team has meant that representation at the Dementia Strategic Group has not been possible. However resources which are being shared are being made available in English and Welsh. Language preference is recorded at the bedside using the patient bedside board. March 2024: Colleague from the Welsh language team are members of the Dementia Hospital steering Group. Language preference and choice have been included on the					31/03/2025
Internal	2023.03	Clinical Coding: Final Internal Audit Report	Reasonable	Director of Digital	High	R4.2	We recommend that the Health Board devise a plan to address the longstanding underperformance in clatering the backlog of uncoded episodes. The performance of the plan should be reported regularly to the Board or an appropriate forum.	Backlog of episodes will be systematically coded when the new Clnical Coding Structure in implemented. The new structure provides the workforce with he capability to deliver on the monthly coded episodes target and address backlog.	30/06/2024	-8.98	31/05/2025	2.00		Overdue	Not Yet Due	2	April 2025 - Recruitment is completed and performance improvements are being monitored January 2025 There are 2 vacancies out for recruitment , when these are apponted to the new structure will be complete. 5 trainee coders have been appointed and have started in post during the past month."Recruitment to implement the new Clinical Coding structure is on going and estimated to complete by end of September. When the structure is completed, iccremental improvements towards the monthly target will commence. Jan 2024: Backlog of episodes will be systematically coded when the new Clinical Coding Structure is implemented. The new structure provides the workforce with the capability to deliver on the monthly coded episodes target and address backlog.Requires recruitment to new structure as above					31/03/2025
Internal	2023.05	Facilities - Jan 2024	Limited	Chief Operating Officer	Medium	R7.4	Management should investigate the following system improvements and implement if appropriate: Bank: • the possibility of using the AllocateMe function within the Bank Staff system to create a better approach to allocating bank shifts to a wider pool of staff; • utilisation of Safe Care or Allocate to monitor when staff start and end their shift; and • the completion of the programme of work to prevent staff from completing all associated steps of approving and paying a bank shift.	Explore the use of safe care or alternative system to monitor staffs start and finish time this is part of the pre-enabling plan for the roll out Health Roster payroll drop down.	29/02/2024	-12.98	01/07/2025	3.02		Overdue	Not Yet Due	1	August 2024 - Of the three actions recommended, we have only addressed the one concerning the use of safe care. Central rostering has informed us that this element of the tool is currently prioritised for nursing staff, and its rollout to nursing patches is the primary focus, which means we are unable to utilise it at this time. Consequently, we will continue to monitor the situation with the rostering rollout, but for now, it is not feasible for our division to implement this action. However, the other two actions are manageable and require no further comment. This has been explored and is not feasible. Will be considered with wider HB and nationally to see if becomes viable in the future as part of wider Roster roll out March 2024: This has been explored. Unfortunately this is not possible at this stage. Other options are being explored.					31/03/2025
External	2018.01EA	Structured Assessment 2018	Not Rated	Director of Digital	High	R3	R3 The Health Board should improve its information governance arrangements by: improving compliance with the information governance training programme to reach the national rate of 95%.	Information Governance training reviewed to include the legislation changes as a result of GDPR. An additional module was developed and launched for Cyber Security which is mandatory for all staff to complete. The Information Governance Unit has set up Information Governance Delivery Groups (IGDG) for each of the Divisions in the organisation. The meetings are held bimonthly and training is included on the agenda for every meeting. Discussions are held specifically around compliance and Managers are tasked with improving their compliance rates. Reports are assessed at Transformation to Digital (T2D) Delivery Board.	01/03/2020	-60.85	30/06/2025	2.98	08/02/2024	Overdue	Not Yet Due	1	April 2025 - awaiting review of national mandatory training module to split out IG, Cyber and Health Records. January 2024: Training compliance is currently 83%. The additional national Cyber Security modules added to the Information Governance training has hindered progress in improving compliance due to the time required to complete the training package. There is particularly low compliance amongst Clinicians and the Data Protection Officer has discussed this with the Medical Director. He will be reminding them of their responsibilities to complete the mandatory training. Mandatory training compliance we will report to the Information Governance Sub-Committee and further plans will be put in place to improve compliance to the 95% target. Audit sent out to ward managers and divisional senior nurses to determine current training compliance throughout ABUHB.	Identified as outstanding in Structured Assessment 2022 - The pandemic has hindered progress	In all revised plans			31/03/2025
External	2022.03	Structured Assessment 2022	Not Rated	Director of Nursing	N/A	R3	R3 There is limited use of patient and staff stories at Board. The Health Board should consider how it can increase and maximise the benefit of patient and staff stories in Board and committees to help centre and focus meetings on the things that matter most, and to help triangulate this intelligence with formal agenda items.	A Digital Story Protocol for staff and patient stories is currently under development and once approved an electronic digital repository of stories will be created. Digital Story Telling training has been commissioned. The CIVICA Citizen Feedback System now allows people to leave narrated stories. A selection of these will be played at the start of every Board meeting. The Executive Team will agree a programme of staff and patient stories that help triangulate intelligence with formal agenda items.	31/03/2023	-23.97	31/03/2025	0.00		Overdue	Overdue	3	April 2025 Several digital stories have been created and are in progress. These will be shared at Board meetings and other various forums, including learning events and embedded into staff training. The Digital Toolkit was discussed at the Executive Meeting in March and some revisions to the toolkit are required, with the aim for the revisions to be completed by May 2025. This will be available on the Patient Experience and Involvement intranet page. January 2025A number of digital stories have been made and there are a number in progress. These are presented via various forums including Board and at learning events. A new consent form has been developed and a version is now included in the digital story to ensure governance and compliance with GDPR. Digital Toolkit will be concluded by the end of March 2025. This will be available on the Patient Experience and Involvement intranet page. March 2024: Digital Story repository now being considered on an all Wales basis. In the meantime, the Patient Experience Team will oversee all digital stories and manage in person attendance at Board. Where possible these will align to presented papers . June 23: A Patient Experience & Involvement Strategy has been developed which includes Digital Patient Narratives and Stories. A patient story has been presented at a Board Development Session and PQSOC this year. All Wales Experience Team reviweing. Review December 2024					31/03/2025
Internal	2023.17	IT Infrastructure	Reasonable	Director of Digital	Medium	R3	Infrastructure assets should be detailed within a single register / CMDb.	ABUHB partially accepts this recommendation. ITIL Best practice suggests that we have a Configuration Management System that may comprise several CMDBs to suit our environment. That being said there is a plan to ensure that all infrastructure assets are detailed within a single CMDb complete with hierarchies and dependencies, achieved through integration with live tools which will be hosted within our Halo ITSM tool.	30/11/2024	-3.97	30/06/2025	2.98		Overdue	Not Yet Due	1	January 2025 CMDb is now much more mature, with over 54000 assets and may interdependencies recorded allowing a service view to be taken of large elements of infrastructure. Further review to be undertaken in the summer.					31/03/2025

Internal	2023.17	IT Infrastructure	Reasonable	Director of Digital	Low	R4.1	Alert thresholds should be configured to identify relevant issues promptly	ABUHB accepts this recommendation. Event management and alerting is under review with the aim to provide a consolidated platform (single pane of glass) for all alerts. Once the procedure outlined in 4.2 has been implemented this will be applied to any new infrastructure at install with existing assets being addressed over time.	31/07/2025	4.00		-1499.90		Not Yet Due		0					31/03/2025
Internal	2023.17	IT Infrastructure	Reasonable	Director of Digital	Low	R4.2	A procedure for reviewing alerts and ensuring corrective actions are applied correctly and in a timely fashion should be developed. All staff should adhere to this review process, following a period of communication.	ABUHB accepts this recommendation. Event management and alerting is under review with the aim to provide a consolidated platform (single pane of glass) for all alerts. Once the procedure outlined in 4.2 has been implemented this will be applied to any new infrastructure at install with existing assets being addressed over time.	31/07/2025	4.00		-1499.90		Not Yet Due		0					31/03/2025
Internal	2023.17	IT Infrastructure	Reasonable	Director of Digital	Medium	R.2	A set of formal procedure documentation and guides for managing the infrastructure should be defined.	ABUHB accepts this recommendation. There is already a large amount of documentation available for infrastructure management – mostly done to coincide with our Service Desk Institute Audit of policies and processes. Gap analysis will be undertaken to ensure that comprehensive documentation is developed and maintained for all infrastructure services	31/07/2024	-7.97	30/06/2025	2.98		Overdue	Not Yet Due	2	April 2025 - Work continues on developing the documentation libraryOctober 2024: The resources library continues to expand and is reviewed and updated regularly. Gap analysis is still to be undertaken July 2024 - The Resources area of the DDaT Sharepoint site contains approved and published policies and procedures that span the directorate. All of the document requirements for Service Desk Institute Audit are here plus many others. A review with Head of ICT and team managers will be undertaken to identify and fill any gaps.	January 2025 All technical teams are actively engaged in reviewing existing documentation and developing new documents where gaps have been identified. Resource library continues to expand, as does the Halo ITSM Knowledge Base, allowing teams to access timely and relevant information when dealing with incidents. Further review in the summer.			31/03/2025
Internal	2023.17	IT Infrastructure	Reasonable	Director of Digital	Low	R6	Consideration should be given to enhancing the use of SolarWinds to enable full network monitoring and the use of the CatTool	ABUHB partially accepts this recommendation in so far as the need for full network monitoring is recognised and will be addressed. The specific tool to do this will be decided once the event management review outlined previously has been completed	31/07/2025	4.00		-1499.90		Not Yet Due		0	April 2025 - No further progress				31/03/2025
Internal	2023.36	Providing Care to Asylum Seekers and Refugees	Reasonable	Chief Operating Officer	Medium	1.1	The Health Board should undertake a service review based on the requirements of vulnerable groups within the Health Inclusion Service to determine if the workforce / resource position required remains appropriate. As part of the review, future demand and the level of patient support required should be considered alongside the requirement to build a resilient workforce and deliver the service in accordance with the Policy.	The Health Board will undertake a review to scope the demand and capacity requirements of Asylum Seekers and Refugees from initial arrival to settlement in Gwent to establish the workforce / resource requirements to sustain the service. The review will scope demand and capacity since service was developed in 2019 to current position, taking into account population needs assessment and changing legislation i.e. S98, supporting those fleeing conflict.	30/04/2025	0.98		-1499.90		Not Yet Due		0	The scoping exercise for the demand and capacity is currently ongoing to ensure the sustainability of the service but due to staffing changes within the service, there has been limited progress to date. This work will continue in 2025/26 with the aim of completion in quarter 3.				31/03/2025
Internal	2023.36	Providing Care to Asylum Seekers and Refugees	Reasonable	Chief Operating Officer	Medium	2.1	The Health Board should review the current staff training/awareness sessions across the Health Board to assist with the refugee and asylum seekers agenda. This should be incorporated into training for other vulnerable patient groups, including in conjunction with existing statutory and mandatory training.	The Health Board will review existing online training resources available for staff across the Health Board, to include independent contractors, with a view to developing an electronic e-learning session that provides all staff with an understanding of Asylum Seekers and Refugees support, the cultural differences between the UK and individuals home countries, along with the types of barriers they face when accessing services in the UK. Opportunities for this training to be a mandatory awareness session for all Health Board staff and independent contractors will be explored for viability and appropriateness with the Corporate Human Resources and Education and Training teams.	30/09/2025	6.00		-1499.90		Not Yet Due		0	The service continues to review the existing training provided across the health board but due to staffing changes within the Service, there has been limited progress. The service aim to complete this review by quarter 4 2025/26.				31/03/2025

Internal	2024.02	Reinforced Autoclaved Aerated Concrete – Nevill Hall Hospital	Reasonable	Chief Operating Officer	Medium	1.2	The RAAC working groups should be more formalised with terms of reference established that identifies membership, roles and responsibilities etc.	AGREED - These will be reviewed in line with the above Management Plan to consider additional members and any clarity necessary for roles and responsibilities	31/01/2025	-1.93		-1499.90		Overdue	0					31/03/2025

**CYFARFOD BWRDD IECHYD PRIFYSGOLN
ANEURIN BEVAN
ANEURIN BEVAN UNIVERSITY HEALTH BOARD
MEETING**

DYDDIAD Y CYFARFOD: DATE OF MEETING:	20 May 2025
CYFARFOD O: MEETING OF:	Audit, Risk and Assurance Committee
TEITL YR ADRODDIAD: TITLE OF REPORT:	Draft Annual Report 2024/25
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Rani Dash, Director of Corporate Governance
SWYDDOG ADRODD: REPORTING OFFICER:	Bryony Codd, Head of Corporate Governance

**Pwrpas yr Adroddiad
Purpose of the Report**

Ar Gyfer Trafodaeth/For Discussion

**ADRODDIAD SCAA
SBAR REPORT**

Sefyllfa / Situation

This paper presents to the Audit, Risk and Assurance Committee the first draft Performance and Accountability Reports 2024/25. In line with Chapter 3 of the Manual for Accounts: Annual Report and Accounts, the Health Board is required to publish, as a single document, a three part Annual Report and Accounts. Parts 1 and 2, the Performance Report and Accountability Report are provided for consideration by the Audit, Risk and Assurance Committee. The draft Accounts have been provided as a separate document.

Cefndir / Background

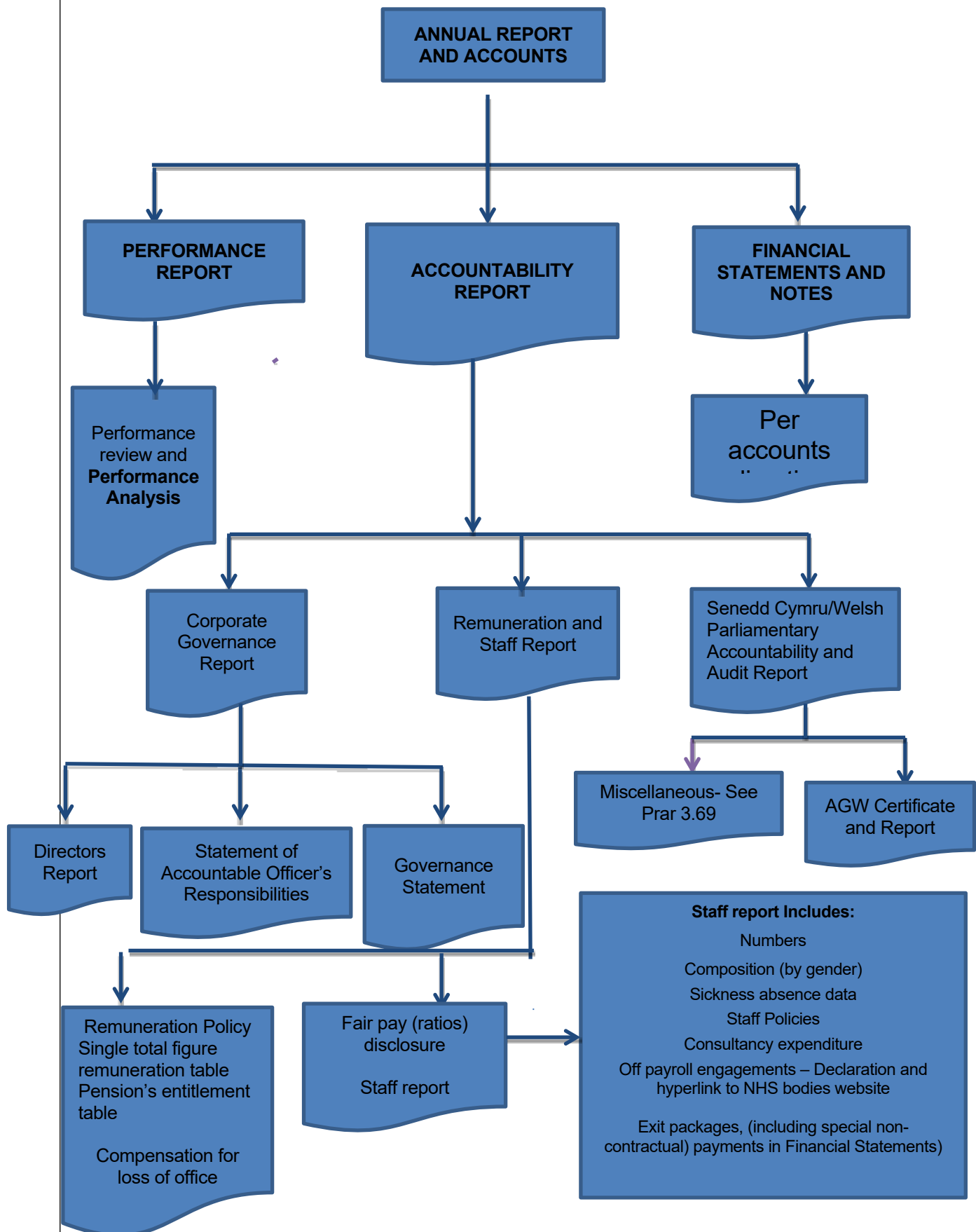
This paper presents to the Audit, Risk and Assurance Committee the first draft Performance Report and Accountability Report 2024/25. In line with Chapter 3: Annual Report and Accounts, the Health Board is required to publish, as a single document, a three part Annual Report and Accounts which includes:

- The Performance Report, which must include:
 - An overview.
 - Performance analysis
- The Accountability Report, which must include:
 - A Corporate Governance Report.
 - A Remuneration and Staff Report.

- Senedd Cymru/Welsh Parliament Accountability and Audit Report.

- The Financial Statements, including:
 - The Audited Annual Accounts 2024-25

Outline Structure



Asesiad / Assessment

This report presents the first drafts of the Performance Report and Accountability Report.

The timetable for submission is outlined below:

Annual Reports 2024/25 - Key Dates	2025	
Draft Accounts to WG	Fri	2-May
Draft Performance Report Overview, Accountability Report and Remuneration Report to WG	Fri	9-May
Draft Reports to ARA Committee Members	Tues	13-May
ARA Committee meeting to Consider Draft Accounts and Draft Accountability Report	Tues	20-May
Final Accounts & Accountability Report to Audit Committee Members	Tues	17-June
ARA Committee meeting to Consider Final Accounts, and Accountability Report	Tues	24-June
Board meeting to approve Final Accounts and Accountability Report	Wed	25-June
Certification by Auditor General		
Final Annual Report Deadline for Submission to WG – Annual Report and Accounts as a single unified document	Mon	30 June
Annual General Meeting – to receive the Annual Report and Accounts	Wed	24 Sept

In line with the required timescales, the first draft report was submitted to Welsh Government and Audit Wales on 9th May 2025. These documents continue to be working documents, based on template guidance and are subject to ongoing refinement.

Members of the Audit, Risk and Assurance Committee are asked to consider the attached documents and provide comments for inclusion in the final draft of the report for consideration at their meeting on 25th June 2025.

The final Chapter 3 of the Manual for Accounts confirms the requirement for a public meeting to be held no later than 30 September 2025, at which the Annual Report and audited accounts are presented.

Argymhelliad / Recommendation

The Audit, Risk and Assurance Committee is asked to consider and comment on the draft Performance Report and Accountability Report prior to preparation of the final reports for submission to the Committee on 25th June 2025.

Amcanion: (rhaid cwblhau) Objectives: (must be completed)	
Cyfeirnod Cofrestr Risg Corfforaethol a Sgôr Cyfredol: Corporate Risk Register Reference and Score:	
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	Governance, Leadership and Accountability Choose an item. Choose an item. Choose an item.
Blaenoriaethau CTCI IMTP Priorities Link to IMTP	Not Applicable Choose an item.
Galluogwyr allweddol o fewn y CTCI Key Enablers within the IMTP	Governance
Amcanion cydraddoldeb strategol Strategic Equality Objectives Strategic Equality Objectives 2020-24	Not Applicable Choose an item. Choose an item. Choose an item.

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	
Rhestr Termau: Glossary of Terms:	
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Asesiad Effaith Cydraddoldeb Equality Impact Assessment (EIA) completed	No does not meet requirements An EQIA is required whenever we are developing a policy, strategy, strategic implementation plan or a proposal for a new service or service change. If you require advice on whether an EQIA is required contact ABB.EDI@wales.nhs.uk

Deddf Llesiant Cenedlaethau'r Dyfodol – 5 ffordd o weithio Well Being of Future Generations Act – 5 ways of working https://futuregenerations.wales/about-us/future-generations-act/	Not Applicable Choose an item.



Aneurin Bevan University Health Board Annual Report and Annual Accounts 2024/25

Our Annual Report is a suite of documents that tell you about our organisation, the services and care we provide and what we do to plan, deliver and improve healthcare for you. It provides information about how we performed in 2023/24, what we have achieved, how we plan to continue to improve next year and our plans for the future. This report also explains how important it is for us to work with you and listen to your views, to better deliver services that meet your needs, as close to your home as possible.

Our Annual Report for the period 1st April 2024 to 31st March 2025 includes:

- Our **Performance Report** which details how we have performed against our targets and the actions planned to maintain or improve our performance.
- Our **Accountability Report** which details our key accountability requirements and provides information about how we manage and control our resources, identify and respond to our risks, and comply with our own governance arrangements.
- Our **Financial Statements and Annual Accounts** which detail how we have spent our money and met our obligations.

Contact Us

You can contact the Health Board using the details below:

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<https://www.facebook.com/AneurinBevanHealthBoard>

Section One – The Performance Report	
1. Overview from the Chief Executive 2. Reporting Requirements 3. Aneurin Bevan University Health Board 4. Annual Plan 2024/25 – Performance against trajectories 5. Annual Plan 2024/25 – Deliver of System Change 6. Sustainability and Carbon Reduction Plans 7. Agile Working 8. Quality and Safety 9. Well-Being of Future Generations 10. Equality, Diversity and Inclusion 11. Welsh Language Requirements 12. Financial Management and Performance 13. Conclusion and Forward Look	
Section Two – The Accountability Report	
Corporate Governance Report • Directors Report • Statement of Accountable Officer’s Responsibilities • Annual Governance Statement	
Remuneration and Staff Report	
Parliamentary Accountability and Audit Report	
Section Three – The Financial Statements	
The Audited Annual Accounts 2024-25	

Performance Report

1. Overview from the Chief Executive

The last year marked one of steady progress for the organisation, with reductions in very long waits for patients, improvement in emergency care performance and the delivery of new developments which will bring care closer to home, such as the Nineteen Hills Health and Wellbeing Centre. Despite this progress the Health Board remains in Targeted Intervention for planning, finance and Urgent and Emergency Care. The organisation is committed to achieving the financial and operational performance required to come out of this escalated status and the progress made in the last year shows the organisation is on track to achieve this.

There have been many achievements and improvements in performance, across the breadth of our priorities of the Health Board. Much has been delivered over the past 12 months including:

- Significantly reduced waits of over two years across all specialties
- Significant progress in mental health performance
- Reduction in the Cancer backlog
- Undertook widespread public engagement to inform a new Organisational strategy to be published in July 2025
- Opened the first phase of the Nineteen Hills Wellbeing Centre in Newport with further progress on the Primary Care estate plan
- Strengthened focus on quality, safety and patient experience.
- Variable pay reduced by approximately £15.8m from 2023/24 to 24/25 and increased the total number of substantive staff through innovative approaches to recruitment and retention.

This report sets out the progress the organisation has made in 2024/25.

Workforce

The Health Board employs 13,424WTE (17,111 people; March 2025) and is the largest employer in Gwent. This is an increase of 343 WTE from last year, mainly in Nursing and Midwifery (187.58WTE), Estates and Ancillary (62.59WTE), and Health Care Support Workers (HCSW) (43.94WTE). Administration decreased by 80.08WTE (2.8%). Estates and Ancillary increased core staffing by 6.17% to reduce reliance on agency usage.

The workforce demographic remains stable, with 20% of staff over 55 and 32% over 50 years old. Turnover reduced from 9.2% to 8.64%, while sickness increased from 6.10% to 6.44%, with stress, anxiety, and depression accounting for 33% of absences.

The organisation has significantly reduced registered nurse vacancies by 53% and medical and dental vacancies by 40% over the last two years. However, vacancies persist in some medical specialties (e.g., Ophthalmology, General and Acute Medicine, Psychiatry, Public Health), Therapies, and Pharmacy. The organisation will continue recruitment and retention campaigns to address these. Long-term vacancies remain in non-clinical roles like mechanical and craftsperson positions.

The priority is recruiting, developing, and retaining directly employed staff to build effective teams and provide a positive patient experience.

There are 1,370WTE colleagues in independent GP practices, with a high reliance on locum GPs and many GPs over 55 years old.

People Plan 2022 – 2025 – Putting People First: The next iteration of the organisations People Plan (2025/26 - 2028/29) is in development and will involve full engagement with staff, Trades Unions, and partners. The plan will address workforce challenges and support the Health Board's Long-Term Strategy and Ministerial Targets, focusing on:

- Staff Health & Wellbeing
- Employer of Choice
- Workforce Sustainability and Transformation

The priorities align with the commitments of Health Education and Improvement Wales (HEIW), Social Care Wales (2022), A Healthier Wales, and the National Workforce Implementation Plan (2023). Our plans are also driven by Welsh Health Circulars 2024/031 and 2024-17.

Actions in the People Plan during 2024/25 have positively impacted key workforce performance indicators, including:

- Turnover dropped from 11.36% to 8.64%.
- Performance appraisal (PADR) increased from 73.46% to 75.15% with a new process and manager training.
- Launched the Speaking up Safely process.
- Time to hire remains below the 71-day target at 64 days.
- Recruited 74 international nurses.
- Reduced HCSW vacancies by 60WTE and RN vacancies by 128WTE.
- Reduced medical vacancies by 57WTE in the last two years.
- Variable pay reduced by approximately £15.8m from 2023/24 to 2024/25
- Refreshed a new Strategic Equality Plan focusing on Equality, Diversity, and Inclusion.

- Increased Welsh language translation, learning opportunities and reporting of competencies.
- Continued our work in line with Gwent Strategic Workforce Action Plan and roll out of our Integrated Schools Programme for Health and Social Care.
- Launched a bespoke leadership development programme for aspiring and current Directorate Managers.
- Launched a Talent Management and Succession planning framework and training programme.
- Agreed a programme of work to positively recognise staff contribution and commitments with a range of formal and informal ways to show gratitude.

2. Reporting Requirements

The purpose of the Performance section of this Annual Report 2024/25, as set out in the guidance provided in the NHS Wales 2024/25 Manual for Accounts, is to provide information on Aneurin Bevan University Health Board, its main objectives and strategies and the principal risks that it faces. The requirements are based on the matters required to be dealt with as set out in Chapter 4A of Part 15 of the Companies Act 2006, as adapted in the Financial Reporting Manual and NHS Wales Guidance Manual.

The main features of the performance report flow from the organisation's agreed plan and demonstrate how the Health Board has delivered against these.

It should be noted that the duty of quality came into legal force in April 2023 in line with the Health and Social Care (Quality and Engagement) (Wales) Act 2020. These reports will be prepared and published separately to this Performance Report. Further information is available in the Annual Accountability Report, Page XX.

3. Aneurin Bevan University Health Board

Aneurin Bevan University Health Board was established in October 2009 and achieved 'University' status in December 2013. The Health Board's principal role is to ensure the effective planning and delivery of our local NHS system, within a robust governance framework, to achieve the highest standards of patient safety and public service delivery, improve health and reduce inequalities and achieve the best possible outcomes for our citizens, and in a manner that promotes human rights. To fulfil this role, we are required to work with our partners and stakeholders in the best interests of the population we serve.

As a Health Board, the organisation serves the population of Gwent which reflects the five local authority areas: Blaenau Gwent, Caerphilly, Monmouthshire, Newport and Torfaen. The demographics of Gwent are varied and include rural countryside areas, urban centres and the most easterly of the South Wales valleys.

The Population Needs Assessment for the region can be found here: [Gwent Joint Strategic Assessment - Aneurin Bevan University Health Board](#)

The Health Board employs 13,424 WTE as at the end of March 2024 and is the largest employer in Gwent. The workforce is ageing, as is the demographic profile of our population and the health inequalities of our population are also found within our workforce and 80% of our staff live within our communities. Therefore, it is essential that staff health and wellbeing is a key priority and a feature of our preventative plans.

The Health Board has an annual budget from the Welsh Government of just over £1.7 billion per year from which the organisation plans and delivers services for the population of Gwent. The Health Board, as well as providing services locally, works in partnership to seek to improve health and well-being in the area, particularly through our partnership arrangements to respond to the Social Services and Well-Being (Wales) Act 2014 and the Well Being of Future Generations (Wales) Act 2015.

Detail on how the Health Board is governed is set out within the Accountability Report (Section 2 of the Annual Report and Accounts 2023/24).

4. Annual Plan 24/25 – Performance against trajectories

The Health Board's performance reporting is aligned to the commitments made in the 24/25 Annual Plan, which are split between two components:

- Cabinet Secretary Priorities
 - o Enhanced Care in the Community (*1 measure*)
 - o Primary and Community Care (*2 measures*)
 - o Urgent and Emergency Care (*2 measures*)
 - o Planned Care and Cancer (*4 measures*)
 - o Mental Health, including CAMHS (*2 measures*)
- System Change Themes
 - o Embedding Prevention and Population Health in all that we do (*5 measures*)
 - o Progressing place based models of care and sustainability in primary and community services (*6 measures*)
 - o Improving our Urgent and emergency care system focusing on experience, access and discharge pathways (*11 measures*)
 - o Continuing to prioritise cancer, urgent and the longest waiting patients for planned care (*7 measures*)
 - o Improving our Mental health services (*7 measures*)

A summary of the Health Board's annual performance is detailed below by System Change Theme, with the relevant, corresponding Cabinet Secretary Priorities included.

Performance by System Change Theme

Embedding Prevention and Population Health in all that we do

5 annual plan measures: 1 meeting trajectory / 4 not meeting trajectory

There are 3 measures related to vaccinations. Performance for the percentage of children who are up to date with the scheduled vaccinations by age 5 has improved through the year to the latest reporting period (Q3) at 87.1%, although remains short of the national target (95%). The percentage of children receiving the HPV vaccination by the age of 15 has remained relatively static through to the latest reporting period (Q3) at 66.1% against an annual plan trajectory of 91.1%. Influenza vaccinations amongst adults aged 65 years and over through the winter campaign fell marginally shortly of the national target of 75% at 72.9%, however the Health Board's performance was higher than the all Wales performance of 70.3% for this cohort, and the second highest performing Health Board overall. There are local initiatives in place to boost vaccination uptake. Our Neighbourhood Care Networks (NCNs) are actively working at the local level to identify areas where vaccination uptake is challenged. By understanding the unique barriers faced by different cohorts, NCNs are implementing locally focused initiatives to encourage vaccination. These initiatives are tailored to address specific community needs and include targeted outreach programs, educational campaigns, and partnerships with local organizations to build trust and awareness. School Health Nurses are also playing a pivotal role in our vaccination efforts. They are currently executing a robust vaccination plan that includes dedicated MMR (Measles, Mumps, and Rubella) catch-up clinics. These clinics are being held in Vaccination Centres and through pop-up clinics, making it easier for students to receive their vaccinations. By integrating these efforts within the school environment, we are ensuring that children have convenient access to essential vaccines, thereby reducing the risk of outbreaks and promoting overall public health. The Health Board is committed to addressing vaccine inequity through our comprehensive vaccine inequity strategy. This strategy is informed by feedback from the NHS Executive and focuses on developing actions that ensure equitable access to vaccines for all populations. Our efforts include identifying and removing barriers to vaccination, such as transportation issues, language barriers, and misinformation. By working closely with community leaders and leveraging data to guide our actions, we aim to create a more inclusive and equitable vaccination program.

AWAITING VALIDATED YEAR END POSITIONS FOR 6 WEEK BABY CHECKS AND 8 WEEK WEIGHT AND MEASUREMENT

Progressing place based models of care and sustainability in primary and community services

2 cabinet secretary measures: **AWAITING YEAR END POSITIONS**

6 annual plan measures: 2 meeting trajectory / 3 borderline / 1 not meeting trajectory

COMMENTARY ON CABINET SECRETARY MEASURES TO BE ADDED

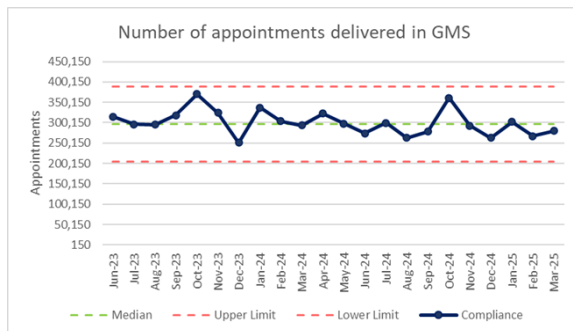
In relation to the number of appointments delivered in General Medical Services (GMS), the Health Board was close to meeting the total number set in annual plan of 3,695,987. Despite not meeting the full annual target, we successfully delivered 94.7% of the total

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Commented [PP2]: Need to revisit closer to final deadline as Q4 may be available

Commented [PP3]: Need to come back to this later in May

Commented [PP4]: Awaiting final dental and GMS standard, due late May/early June

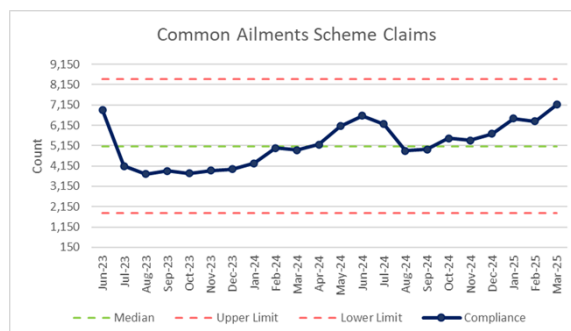


GP appointments planned, which is reflective of our commitment to providing accessible healthcare services and maintaining high performance levels. The Primary Care Contracting Team play a crucial role in managing GMS contracts. They ensure that any concerns are promptly addressed by raising them directly with the contractors. This proactive approach

helps in maintaining strong relationships and ensuring compliance with contractual obligations. Contracts are continuously monitored to ensure they meet all requirements.

The number of patients accessing NHS optometry services was 242,439, well ahead of the annual plan trajectory of 168,851. The Health Board successfully implemented new and revised clinical pathways, specifically WGOS 4 and 5. All providers have transitioned to WGOS 4 provision, ensuring a standardised and improved approach to clinical care. The Primary Care Contracting Team has monitored contracts to ensure all Optometry practices meet the required standards of performance, including WGOS activity. This oversight guarantees that practices adhere to high-quality standards and deliver consistent, reliable care to patients. The Health Board has actively supported the rollout of digitisation across services. Contracts are carefully managed by the Primary Care Contracting Team, who promptly address any concerns directly with contractors. This support for digitisation has improved data management, accessibility, and overall efficiency in service delivery.

The number of consultations undertaken by community pharmacy under the Common Ailments Scheme (CAS) also far exceeded the annual plan trajectory of 47,250, at 70,9637. All Community Pharmacies are now signed up to the CAS, resulting in a notable increase in the number of consultations in the final quarter of the year at almost 20,000. This expansion has improved access to care for common ailments, providing patients with more convenient and timely treatment options. A new system is being developed to provide all GMS



Practices with access to live service provision data in their area. This system will cover CAS, flu, and other services, enhancing the ability of GMS Practices to coordinate and deliver comprehensive care. The number of pharmacies commissioned for the Independent Prescribing service has increased from 46 in Q2 to 55 in at the end of the

year, reflecting our commitment to expanding the scope of pharmacy services and improving patient access to prescribed medications.

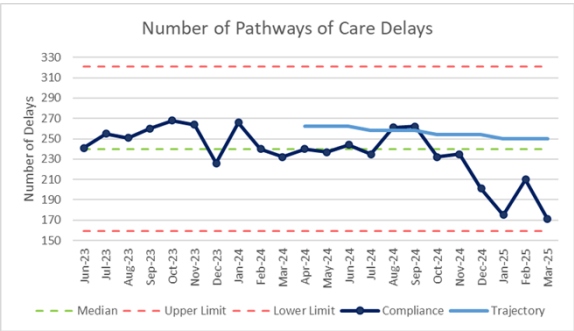
For the number of Units of Dental Activity (UDA) were claimed performance was borderline, with 597,933/97.1% of the total planned units claimed (615,975). There were 50 UDA Practices at the beginning of the year, with 25 of these practices opting for contract reform Following contract terminations, there were successful re-commissioning of services, ensuring continuity and quality of care. Our usual contract monitoring processes remain in place, ensuring that all practices meet the required standards of performance. Additionally, end-of-year forecasting is now in progress, providing valuable insights for future planning and decision-making.

Performance of Palliative Care referrals assessed within 2 days has averaged 96% across the course of the year against a 95% target, with the latest reporting period (Jan) recording 94.4%. The proportion of GP referrals made to rapid response as a total of all medical assessments has been below the annual plan trajectory of 10.15% throughout the course of the year, averaging 8%. The expansion of the Community Resource Team (CRT) Rapid Medical model is now fully embedded and operating as business as usual, and a new Standard Operating Procedure (SOP) was implemented in September to reduce variation and ensure a more equitable service across all CRT Rapid Teams. While GP referrals to Rapid have remained relatively static, there is an increasing trend of referrals from front door and back door services.

Improving our Urgent and emergency care system focusing on experience, access and discharge pathways

3 cabinet secretary measures: 1 meeting trajectory / 1 borderline / 1 not meeting trajectory

11 annual plan measures: 5 meeting trajectory / 6 not meeting trajectory

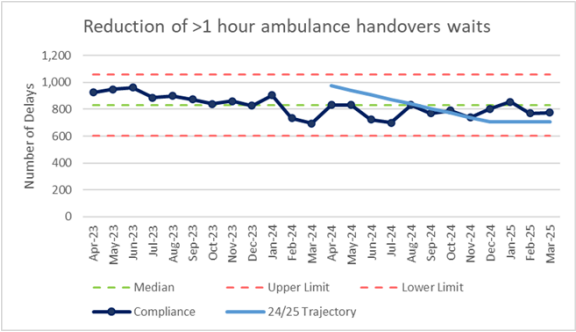
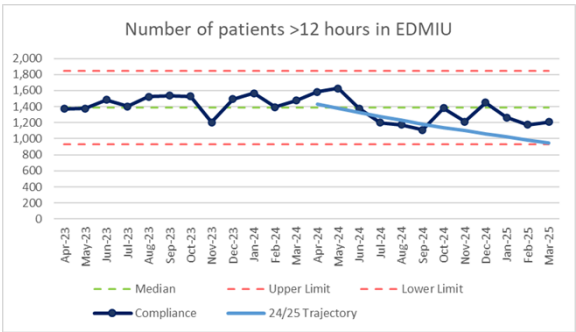


The Health Board has delivered significant progress against the cabinet secretary priority of the reducing the number of Pathway of Care Delays (POCDs). Sustained improvement in POCDs was observed through the second half of the year, culminating in a year-end position of 171 from a year-high position of 262 in September. Additionally, there was a significant

reduction in the total number of days delayed, from a high of 10,531 to 6,912 at year end. This success enabled the Health Board to also meet its ministerial targets as outlined by the Care Action Committee (CAC). Central to this success has been the actions undertaken as part of the 50 day challenge. Initiated in November, this focused on enabling discharge and reducing POCDs, in collaboration with Local Authority partners. The actions taken during this period have laid a strong foundation for

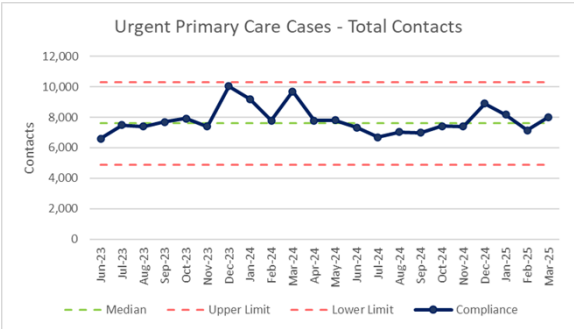
continued improvements beyond the challenge timeframe. Hospital 2 Home has been further supported through the 50-day challenge, and saw a significant increase in number of patients supported through this pathway in January and continued elevated levels through the rest of Q4 and meeting its annual plan trajectory.

Across the measures within Urgent & Emergency Care (UEC), there has been expected seasonal variation which has impacted performance and reflects pressures faced by the health system particularly through the winter period. Several, key performance measures for Urgent Care peaked in January as the system was subjected to the peak of winter pressures, however they have since trended downwards from this point through the final two months of the year. End of year targets for the two key cabinet secretary measures of >1hr ambulance handovers and >12hr EDMIU attendances were not achieved, although 1hr ambulances was borderline having reduced from a year high of 855 to 774 at year end. There are continued improvement plans in place through 25/26 with performance ambitions linked to WG de-escalation criteria. Despite the challenges across several annual plan metrics relating to ambulance handovers and patients waits in the Emergency Department (ED), >4hr performance across our EDMiUs was consistently at or slightly above the annual plan target of 75%.



A new General Internal Medicine model was implemented at GUH in November, linked to a new model of care for General Medicine patients led by the Respiratory team. This initiative aims to enhance patient care and streamline service delivery. The 'SDEC First' pilot has been initiated at GUH for the Acute Medical Unit (AMU) to help manage demand. This pilot focuses on Same Day Emergency Care (SDEC) to improve patient flow and help manage demand. The '80 over 8' project is underway to assess how pathways could be reconfigured for elderly fallers who spend over 8 hours on the GUH forecourt. This project aims to improve care pathways and reduce waiting times for this vulnerable patient group. A clinical prioritisation framework protocol has been drafted, led by the Medical Director. This framework will guide prioritisation decisions, ensuring that patients receive timely and appropriate care based on clinical need. Weekly enhanced monitoring meetings continue to oversee and support improvements across our services. These meetings are crucial for maintaining high standards of care and operational efficiency.

Demand for Urgent Primary Care (UPC) has been high throughout the course of the year, with contacts in excess of 200% of that forecast in the annual plan. UPC have also provided additional support for practices in escalation. With regards to performance against the three measures relating to Stroke, performance figures are reported through SSNAP, quarterly in arrears. As of Q3, the Health Board is meeting its annual plan trajectories in two (% of unique stroke patients given Thrombectomy, and % Stroke Patients Assessed by one of OT, PT, SALT within 24 hours). A Stroke improvement plan is in place bringing together the 53 recommendations from GIRFT, HIW and the Welsh Government, the workstreams include: imaging, staffing, rehab, prevention, patient flow, governance, education and training, community, acute stay, data capture and audit compliance. The Health Board also approved the complete ring-fencing of the stroke pathway (Hyper Acute Stroke Unit & Rehab) due to the Prince Charles Hospital Stroke pathway collapse.

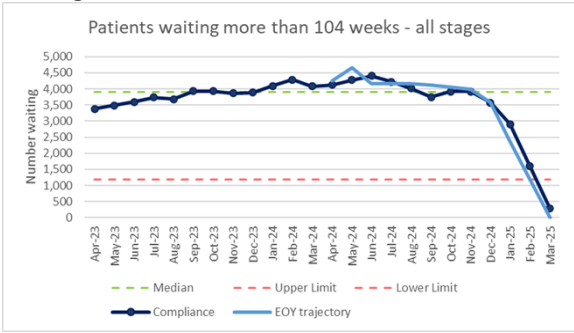


Continuing to prioritise cancer, urgent and the longest waiting patients for planned care

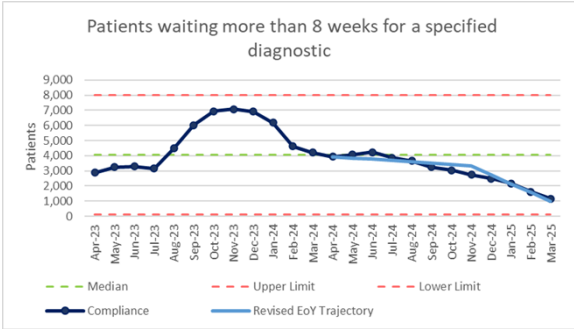
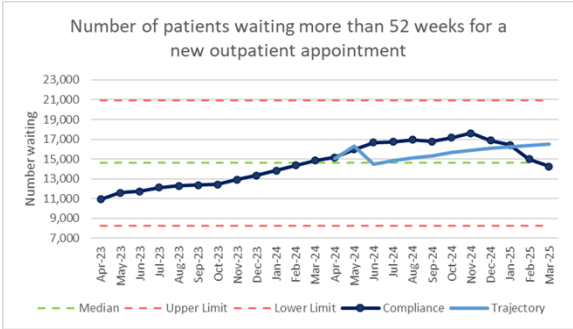
4 cabinet secretary measures: 1 meeting trajectory / 3 borderline

7 annual plan measures: 3 meeting trajectory / 4 not meeting trajectory

24/25 saw the Health Board make significant progress with key priorities across planned care, diagnostics and cancer performance. This year, the Health Board made significant strides for the cabinet secretary priority of reducing the number of patients waiting more than 104 weeks for referral to treatment (RTT), delivering substantial progress through strategic initiatives and targeted funding. At the end of Q1, the Health Board had 4,408 patients waiting over 104 weeks for RTT, marking the highest point in the year. This situation highlighted the urgent need for intervention and improvement. The number of patients waiting began to decrease over the next two quarters, reflecting the Health Board's efforts to address the backlog and improve patient access to treatment. The Health Board received targeted funding from the Welsh Government across three key specialties: Ear, Nose & Throat (ENT), Ophthalmology, and Trauma & Orthopaedics. This funding was crucial in supporting ambitious plans to reduce waiting times and deliver a position as close to zero as possible by the end of the year. At year end the Health Board successfully reduced the number of patients waiting over 104 weeks to

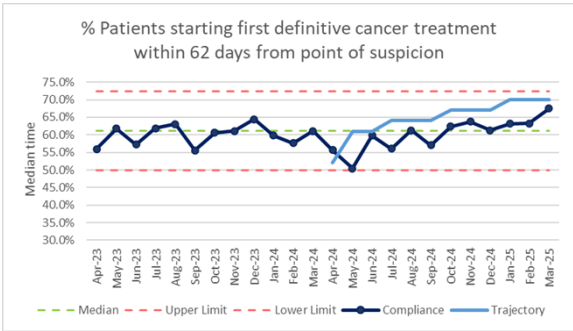


288. This represents excellent progress and a significant achievement. Notably, the specialties of Ophthalmology-Cataracts and ENT achieved zero patients waiting over 104 weeks, demonstrating particular success in these areas. For the cabinet secretary measure of the number of patients waiting more than 52 weeks for a new outpatient appointment, the Health Board delivered a lower closing position of 14,625 when compared to that at the beginning of 25/25 (15,160) and delivering ahead of a trajectory of 16,500. Significant gains were delivered through the second part of the year, reducing the position by almost 3,000. The Health Board also eliminated waits of over 156 weeks, having started the year with 52 patients breaching this measure to recording zero in the final two months of the year. For the cabinet secretary priority of the number of patients waiting more than 8 weeks for a specified



diagnostic, the Health Board again was in receipt of Government funding across Endoscopy and Neurophysiology to deliver an improved year end position. With a target of 987, the final figure of 1,155 represented significant progress particularly when taken in the context of the previous two years and a Q1 24/25 position of 4,221.

There has been a step forward with Cancer performance through 24/25. For the cabinet secretary priority of Single Cancer Pathway (SCP) compliance, which measures the percentage of people starting their first definitive treatment within 62 days from point of suspicion, the Health Board's performance through the first half of the year was subject to monthly fluctuations and behind trajectory. In the second half of the year performance was more stable, and a further step forward was taken in March to deliver a year end position of 67.5%. Whilst this is marginally behind a trajectory of 70%, it is the highest monthly performance over the past 2 years and consolidates an improvement trend delivered over the course of the year, having been as low as 50.4% in May '24. The 62 and 104 day backlogs for SCP have

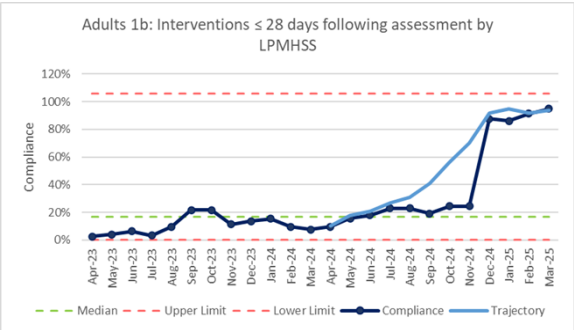


also seen substantial reductions over the year and, whilst slightly higher than annual plan trajectories, have stabilised over the past quarter and are in line with expected levels when taken in the context of the SCP census. Tumour site specific Task and Finish groups have been instrumental in delivering improvements in Cancer performance, as has Divisional scrutiny to improve compliance and maintain attentive focus of management of patients going through the pathway.

Improving our Mental health services

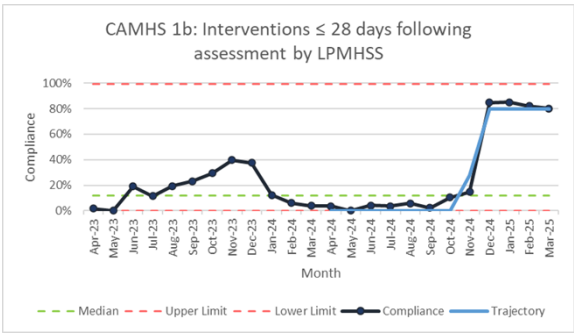
2 cabinet secretary measures: 2 meeting trajectory

7 annual plan measures: 6 meeting trajectory / 1 not meeting trajectory



The Health Board has been successful in delivering significant improvements across several measures through the course of 24/25. For the two cabinet secretary priorities for Part 1B across Child and Adolescent Mental Health Services (CAMHS) and Adults, which measures the percentage of therapeutic interventions started within 28 days following an

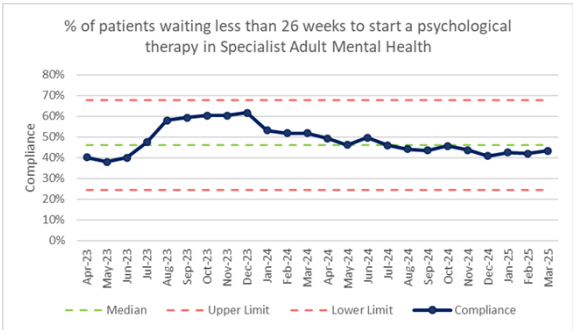
assessment by Local Primary Mental Health Services (LPMHSS) for people aged under 18 years, and then adults aged 18 years, the Health Board had submitted ambitious improvement trajectories within the annual plan for both measures. Following significant focussed efforts from the respective Divisions, this improvement was realised at the end of Q3 and sustained throughout the remainder of the year with both measures meeting the national standard of 80%. CAHMS performance closed the year at 80.3%, with Adults recording a closing position of 95%. The Adult waiting list has also seen substantial reduction through the course of 24/25, from a high of 2,760 in July to 215 as of the end of the year. The CAHMS waiting list is also greatly reduced, from 584 in April '24 to a year end position of 74.



For the annual plan measure for Part 1A within Adults, which was to increase in to national target for Adult MH (assessment completed within 28 days), again significant improvement was delivered through the second part of the year with the national standard being met for the final five months of 24/25 and recording a year end value of 96%. The waiting list also reduced from 1,320 at the beginning of the year, decreasing for six consecutive months from August to February before increasing

slightly in March to achieve a year end position of 581. For Part 1A in CAMHS, performance had been excellent through 24/25 however there was a decrease in March to 77.2% which ends the year just below the national standard (80%). This is due to issues with the clinical system and clock stop/start dates. To mitigate, the Division plan to take a forensic approach to waiting list management and to develop a recovery plan. The waiting list reduced through the first half of the year before increasing again, however the closing position of 224 is still lower than the opening one (250). Robotic Process Automation (RPA) was implemented in 24/25 to help support the management of referrals and has resulted in taking ~3 days off the referral process between GPs and the PCMH team, which has been an enabler in improving performance across Part 1A.

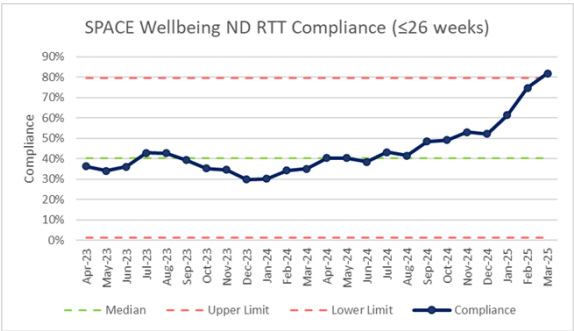
For the annual plan measure for Part 2 within Adults, which was to maintain rates for the number of individuals with a valid care and treatment plan (CTP), performance had been strong throughout the year however there was a significant decrease in December to 68.4%, due to issues with the recording of data on clinical systems. The Division have developed an action plan to ensure compliance returns, and compliance has increased slightly over the final part of the year to close on a position of 71% which is ahead of the annual plan trajectory (68.3%). For CAMHS Part 2, performance increased in the second part of the year and was maintained at or very close to 100% for 6 consecutive months, closing the year at 98.2% and above the national standard.



Performance for the percentage of patients waiting less than 26 weeks to start a psychological therapy in Specialist Adult Mental Health has been challenged through the course of the year, having trended slightly downwards from an opening position of 49.3% to a closing one of 43.2%. This is below the annual plan trajectory of 70%. The number of patients waiting also remains

relatively flat at ~1,200, although the longest waiters have reduced slightly. This measure is the next area for Divisional focus following the delivery of improvements for Part 1, with a plan in place for 25/26 to focus on data validation and pathway improvements.

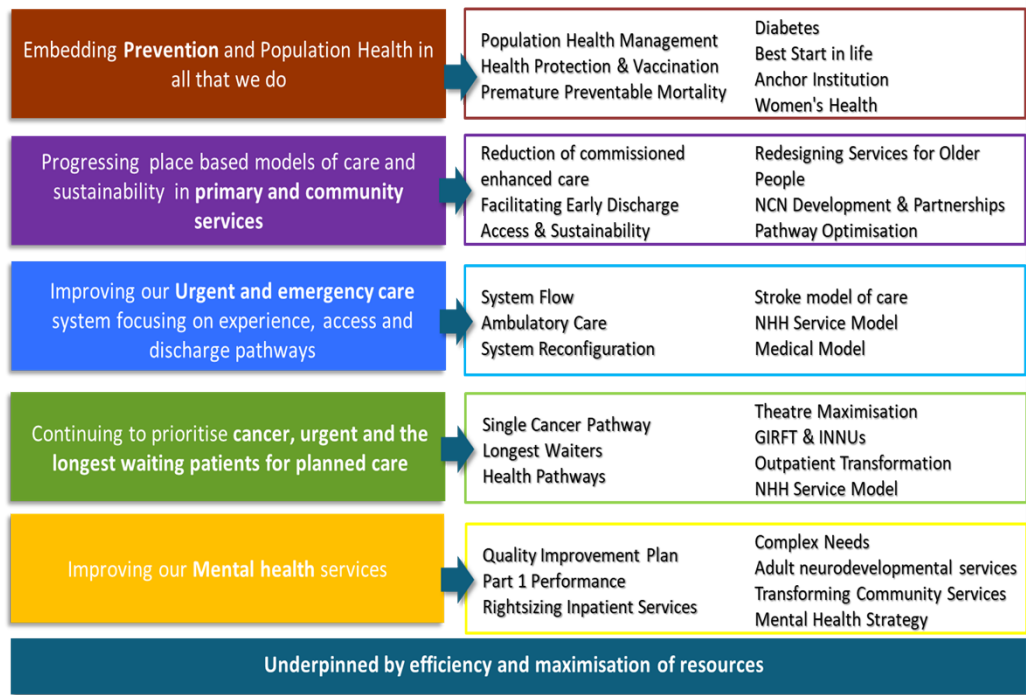
Neurodevelopmental (ND) assessments for those aged 0-18 years are another success story for the Health Board. The annual plan measure is compliance for the percentage of people assessed within 26 weeks, and our submitted trajectory was to achieve 57%



compliance. Following some additional funding, the service were able to utilise this to improve performance by having a dedicated ND clinician to support through Q4, and holding additional clinics held at evenings and weekends. This delivered significant improvements over the final part of the year, with the closing position reaching 81.9% and meeting the national standard. The longest waits have also now reduced to under 52 weeks.

5. Annual Plan 2024/25 – Deliver of System Change

This chapter of the report updates on delivery against the five system change themes and the key outlined in our Annual Plan 2024/25.



Embedding **Prevention** and Population Health in all that we do

In Gwent there is the largest gap in healthy life expectancy between our least and most deprived communities of any Health Board in Wales. Male predicted years in healthy life at birth varies from 55.6 years in Blaenau Gwent to 68.7 years in Monmouthshire. Female predicted years in healthy life at birth varies from 55.3 years in Blaenau Gwent to 69.3 years in Monmouthshire.

Under the system change theme of embedding prevention and population health in all that we do there were 7 key areas we outlined we would deliver against in our annual plan for 204/25;

- 1. Population Health Management
- 2. Health Protection & Vaccination
- 3. Premature Preventable Mortality, Cardiovascular & Cancer
- 4. Diabetes
- 5. Best Start in Life
- 6. Anchor Institution
- 7. Women’s Health

We made the following key achievements against these areas;

Priority	Achievements
Population Health Management	A pilot GP practice has been identified in Monmouthshire to further progress this work throughout 25/26.
Health Protection & Vaccination	Work continues to address vaccine inequity through our vaccine inequity strategy with actions being developed based on NHS Executive Feedback.
Premature Preventable Mortality	Hypertension programme was designed and began implementation through GP practices.
Diabetes	The diabetes prevention model now running in 6 areas across three Neighbourhood Care Networks with 2 in Blaenau Gwent, 3 in Caerphilly and 1 in Newport.
Best Start in Life	Good progress has been made bringing a breadth of detailed information together to produce the Best Start in Life Joint Strategic Needs Assessment in partnership.
Anchor Institution	Anchor institutions has been a fundamental part of our organisational strategy development articulating our joint commitments across Gwent.
Women’s Health	A successful Women’s Health Conference was held with dedicated sessions and feedback on how to develop our Women’s Health Plan with targeted action in 25/26.

Looking forward to 25/26 we have set out the below as areas of focus for embedding prevention and population health in all that we do;

- Resilient Communities & Health Protection:** Deliver the National Immunisation framework for communities and accelerate action to embed community interventions that tackle the wider determinants of health recognising the local need and deprivation.
- Best Start in Life:** Using the Based on the evidence based developed in Joint Strategic Needs Assessment produce the early years delivery plan with partnership commitment to deliver the actions.
- Women's Health:** Working in partnership and understanding the gap in provision for Women implement the first Women’s Health Hub in Gwent.

Preventable Premature Mortality: Support our population to prevent premature mortality through targeted implementation of the Diabetes Prevention Programme and Hypertension Programme.

Progressing place-based models of care and sustainability in **primary and community services**

Over the last few decades, we have seen significant, disproportionate, growth in hospital-based services compared with prevention, primary care and community services. It is important, now more than ever, to deliberately redirect resources towards helping people in Gwent maintain good health and well-being so they can lead fulfilled and healthier lives for longer.

Under the system change theme of progressing place-based models of care and sustainability in primary and community services there were 7 key areas we outlined we would deliver against in our annual plan for 204/25;

- 1. Reduction of commissioned enhanced care
- 2. Access & Sustainability for General Medical Services
- 3. Access & Sustainability for General Dental Services
- 4. Maximise Community Pharmacies
- 5. Maximise Community Optometry
- 6. NCN Development & Partnerships incl ACD Programme
- 7. Pathway Optimisation

Priority	Achievements
Reduction of commissioned enhanced care	Review of high-cost placements has been undertaken and publication is expected in July. The teams continue to support patients that have potentially prevented a re-admission to an acute hospital by managing their complex needs at home.
Access & Sustainability for General Medical Services	100% of our GP practices achieving core access standards in December 24. Continued monitoring processes in place and support continues with practices to ensure appropriate contract monitoring and achievement of the contractual requirements.
Access & Sustainability for General Dental Services	Exceeded national target for percentage of contract value fulfilled at 62% in September 24. The enabling work to deliver dental services as part of the 19 Hills Health and Wellbeing Centre development is ongoing. The dental practice will move into 19 Hills in June 2025.
Maximise Community Pharmacies	All Community Pharmacies are now signed up to the Common Ailments Scheme (CAS). CAS claims in the final quarter of the year were the highest of the year at almost 20,000. 55 Pharmacies have now been commissioned to undertake Independent Prescribing by the end of March 25 which has increased from 39 in April 24.

Maximise Community Optometry	All 5 providers of Ophthalmic Diagnosis and Treatment Centre provisions transitioned to national standards and provision in line with the national glaucoma pathway.
NCN Development & Partnerships incl ACD Programme	We have continued to deliver the accelerated cluster development programme building maturity in our Integrated Service Partnership Boards (ISPB). Local priorities are in place within each ISPB and during 2025/26 Q1-Q2 they will be developing implementation plans to further progress Place Based Care.
Pathway Optimisation	Clinical Implementation Groups have been established to prioritise pathway development and redesign activities.

Looking forward to 25/26 we have set out the below as areas of focus for progressing place-based models of care and sustainability in primary and community services;

Rightsizing of Commissioned Care: On-going review of all placements and addressing any areas where targeted support is needed to ensure we deliver value and sustainability in continuing healthcare.

Access & Sustainability: Ensure sustainable GP services across Gwent and implement of new pathways for Primary Care Optometry services. In addition, increase the number of pharmacies providing Pharmacist Independent Prescriber Service and services through Common Ailments Service.

Focus on Community Pathways: Working in partnership with Acute services develop prioritised workplan for pathway development that shifts care from an acute setting.

Place Based Care: Working in partnership create a whole system community model based on need through multi-professional integrated neighbourhood making the necessary shift in resources and decision making from acute settings into our communities building community resilience.

Improving our **Urgent and emergency care** system focusing on experience, access and discharge pathways

The six goals for urgent and emergency care remains a significant priority with dedicated programmes coupled with targeted action to address Enhanced Monitoring in the Emergency Department at Grange University Hospital (GUH).

A strategic, coordinated approach is essential to manage growing demand and ensure the hospital system can deliver timely, high-quality care. By focusing on improving ambulance handovers, reducing prolonged stays, and addressing care delays, the system can continue to make meaningful progress in enhancing patient outcomes and operational efficiency.

Under the system change theme of improving our urgent and emergency care system focusing on experience, access and discharge pathways there were 7 key areas we outlined we would deliver against in our annual plan for 204/25;

1. System Flow

2. System Reconfiguration
3. Enhanced Monitoring
4. Redesigning Services for Older People (Goal 1)
5. Urgent and Acute Transformation
6. (Goals 2,3 &4)
7. NHH Service Model

Priority	Achievements
System Flow	Partnership continues through our collaborative with Welsh Ambulance Services Trust to embed alternative pathways. Progress has been made in reduction in handover delays however further work required for long waits seen over winter.
System Reconfiguration	System reconfiguration completed to consolidate changes on our St Woolos Hospital site and deliver the Respiratory model changes for service sustainability.
Enhanced Monitoring	Robust assurance in place thoroughly a monthly scorecard and Executive Lead whole system safety flow meetings in place on a weekly basis to address continued pressures in supporting timely ambulance handovers.
Redesigning Services for Older People (Goal 1)	Successfully extended hours of our Community Resource Teams supporting care closer to home now fully operational. Implemented the first phase of our Acute Frailty Response team.
Urgent and Acute Transformation (Goals 2,3 &4)	Same Day Emergency Care (SDEC) has continued to grow and at Grange University Hospital now routinely sees over 230 patients and within Ysbyty Ystrad Fawr SDEC sees more than 70 patients per week.
Facilitating Early Discharge (Goals 5&6)	50-day challenge actions commenced in November with strong focus on enabling discharge and reducing pathway of care delays working in partnership with Local Authorities. Work and actions will continue beyond the challenge period. Hospital 2 Home saw a significant increase in number of patients supported through this pathway in January and continued elevated levels through the rest of Q4.
NHH Service Model	Work continues on the clinical service models with table top exercises undertaken with clinicians and stakeholders to inform future medical service model across all sites.

Looking forward to 25/26 we have set out the below as areas of focus for improving our urgent and emergency care system focusing on experience, access and discharge pathways;

Admission Avoidance (Goal 1): Ensure wider access to community hospitals from the community to avoid an acute admission is rolled out across all sites and deliver increased support to the community and care homes.

Integrated Front Door (Goals 2,3 &4): Further develop our emergency care models and improve experience in our emergency departments. In addition, take actions to reduce community falls.

Integrated Back Door (Goals 5&6): Continue to embed the optimal Hospital flow across all sites and progress trusted assessor model working with Local Authorities across Gwent.

Medical Service Redesign: Implementation of clinical service models that redesign our medical service across our Hospital sites.

Continuing to prioritise cancer, urgent and the longest waiting patients for planned care

Planned care and cancer services represent not just operational priorities but fundamental components of a responsive and resilient healthcare system. By focusing on reducing waiting times, streamlining pathways, and enhancing patient outcomes, we can continue to adapt to rising demand while upholding our commitment to delivering equitable and effective care

Under the system change theme of continuing to prioritise cancer, urgent and the longest waiting patients for planned care there were 7 key areas we outlined we would deliver against in our annual plan for 204/25;

- 1. Single Cancer Pathway
- 2. Longest waiting patients
- 3. Health Pathways
- 4. Theatre Maximisation
- 5. Getting it Right First Time (GIRFT) & Interventions not normally undertaken (INNUs)
- 6. Outpatient Transformation
- 7. Diagnostics 8 Week Wait

Priority	Achievements
Single Cancer Pathway	Our Year-end position for single cancer pathway of 67.5% is the highest over the past 2 years. Tumour site specific Task and Finish groups have been instrumental in delivering improvement in the backlog position, as has Divisional scrutiny to improve compliance and maintain attentive focus of management of patients going through the pathway.
Longest waiting patients	Only Health Board in Wales to eliminate patients waiting over 156 weeks for treatment. We finished the year with 288 waiting for 104 weeks. Whilst not quite achieving the ambition of zero, huge progress has still been made when considering that the breach numbers were almost 4,000 in November 2024.
Health Pathways	Continued high utilisation of HealthPathways platform: 2,936 page views in March 2025 and 103 localised pathways live at end of Q4
Theatre Maximisation	Sustained improvement in scheduling key performance indicators since baseline in April. Reviewed opportunities for increased day case activity to inform short-term opportunities

	and longer-term Theatre Service Model as part of Nevill Hall Hospital developments.
Getting it Right First Time (GIRFT) & Interventions not normally undertaken (INNUs)	Ongoing monitoring of INNUs with quarterly reviews to identify further opportunities in line with evidence-based interventions project work. Implemented Ophthalmology GIRFT recommendations by increasing volume through optometry pathways, including Diabetic Eye Screening.
Outpatient Transformation	Continue to demonstrate opportunities for efficiency through 52 week validation process and further roll out of digital solutions such as Consultant Connect.
Diagnostics 8 Week Wait	Radiology performance is currently at >95% being seen in < 8 weeks and with the support of additional Welsh Government funding significantly reduced our Endoscopy waiting times.

Looking forward to 25/26 we have set out the below as areas of focus for continuing to prioritise cancer, urgent and the longest waiting patients for planned care;

Single Cancer Pathway: Working with Velindre NHS Trust to deliver a new Satellite Radiotherapy Centre and Systemic Anti-Cancer Therapy Outreach services in Gwent.

Health Pathways: Achieve additional 50 localised pathways live on Aneurin Bevan local site.

Theatre Maximisation: Theatres Service Model developed to inform the planning of a Day Case Centre of Excellence and delivery of improvements to increase day case activity.

Outpatient Transformation: Ongoing monitoring of activity and opportunities for one-stop treatment pathways in the Outpatient Treatment Unit and increased use of virtual clinics and identification of new pathways.

Improving our Mental health services

Demand for mental health services is sharply increasing and we need to find ways of supporting people earlier within the community to better support crisis prevention and recovery. The vision is to provide high quality, compassionate, person-centred mental health and learning disabilities services, striving for excellent outcomes for the people for Gwent. There are a number of national strategic drivers including the Strategic Programme for Mental Health and National Programme for Suicide and Self harm Prevention.

Under the system change theme of improving our mental health services there were 7 key areas we outlined we would deliver against in our annual plan for 204/25;

1. Quality Improvement Plan
2. Recovering Part1 MH Performance
3. Rightsizing Inpatient Services
4. Complex Needs
5. Neurodevelopmental services

6. Transforming Community Services
7. Mental Health Strategy

Priority	Achievements
Quality Improvement Plan	Continued focus on quality improvement through the embedded programme management arrangements.
Recovering Part1 MH Performance	For Adults, assessment completed within 28 days the waiting list has reduced from 1,320 at the beginning of the year, reducing for six consecutive months from August to February before increasing in March to achieve a year end position of 581. For Children and Young People, waiting list for interventions completed within 28 days has also seen significant reduction through the course of the year to date, from 584 in April to a year end position of 74.
Rightsizing Inpatient Services	Service Models defined for Older Adults and Learning Disabilities and will be presented to Strategic Change Board in April and Adults working on developing their models following a number of rapid reviews.
Complex Needs	The Commissioning team has reviewed the findings from the National Clinical Commissioning Unit and implementing recommendations within the team.
Neurodevelopmental services	We are implementing an integrated referral front door for designed to improve the initial patient and stakeholder experience. This streamlined referral process is a key component of the Integrated model and will form the basis for a more equitable and efficient diagnostic pathway across all Adult Neurodevelopmental services. Achieved successful recovery of the under 18's 80% target and continued work to maintain 80% targets, the service is developing a sustainable service model that focusses on needs and not diagnosis.
Transforming Community Services	Work has progressed for Adults and Older Adults building their demand and capacity models taking learning from an NHS England approach to inform future service direction.
Mental Health Strategy	Met a wide range of stakeholders was undertaken and then the National Strategy delays has resulted in our strategy moved to September.

Looking forward to 25/26 we have set out the below as areas of focus for improving our mental health services;

Quality Improvement: Continue to engage with the work of the National Patient Safety Programme and embed and sustain the commitments within the Quality Improvement plan.

Ministerial Priority Performance: Sustain progress of Part 1a and 1b for Adults and Children and improve measures for Psychological Services for Adults and start improvement project for Care Treatment Plans (CTP) for Children.

Neurodevelopmental Services: Complete children's neurodevelopmental transformation programme and deliver Single Neurodevelopmental pathway for adults.
Rightsizing Inpatient & Transforming Community Services: Develop model for adult inpatient, community and forensic services. In addition, identify all access points into Mental Health services and commence initial design options for single Pathway.

6. Sustainability and Carbon Reduction Plans

Decarbonisation

The Health Board continues to align its activities to complement and make progress towards the objectives and targets set out in the NHS Wales Decarbonisation Strategic Delivery Plan, published by Welsh Government in 2021. The Plan responds to the declaration of the climate emergency in 2019 and the ambition of Welsh Ministers for the Welsh public sector to be net zero by 2030.

The Health Board has a well-established Decarbonisation Programme Board which was established in 2022 with aim to develop future schemes that would help to reduce the organisations Carbon footprint over the next decade. The board is chaired by the Executive Director for Finance and Procurement. Four working groups are now well established with a further introduction of working group 5 (Waste) each working group having a suite of the national initiatives assigned to them to take forward and develop associated projects. Through 2024/25 we have been proactively supporting the reporting to NWSSP/WG on the metrics / DCR reporting submissions on the performance of the decarbonisation programme.

Governance & Reporting Structure

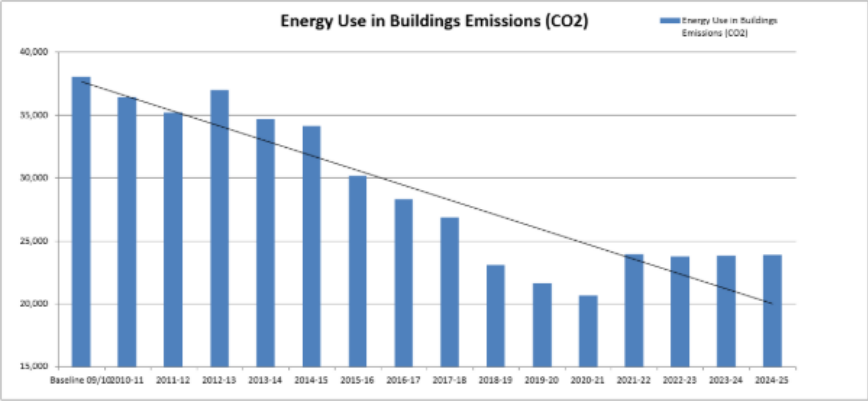
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Decarbonisation "Programme Structure"



Estates, Land Use & Fleet

Estates Energy Use (2010 – 2025)



The 24/25 annual energy performance compared to the previous year was a 0.4% reduction in electricity consumption, Gas consumption saw a marginal increase of 0.6%. Year on year water consumption reduced by 10.3% as we were able to minimise leakage events throughout the year.

The Estates and Facilities Division have made considerable progress with its ReFit energy performance contract development during 2024/25. This long-term partnership with Vital Energi has the potential to deliver significant investment in low-carbon and renewable energy projects across the main hospital sites and community premises in the coming years and through several phases of work. During the year the Project Team have worked hard to finalise the High-Level Appraisal Report and then the development of the subsequent Investment Grade Proposal which is currently undergoing its finalisation.

Phase 1 of ReFit (over a 2-yr Period) is focussing on Royal Gwent, St Woolos Casnewydd Unit, Serennu Children’s Centre, Nevill Hall, Chepstow Community Hospital and Grange University Hospital and will look to implement traditional energy efficiency measures such as LED lighting, pipework insulation, ventilation upgrades and improvements to Building Management Systems. There are also plans for significant solar PV generation at RGH, GUH, St Woolos Casnewydd, Serennu Children’s Centre and Chepstow Community Hospital. Collectively, these projects are anticipated to save 817 tonnes CO2 annually.

During Q4 of the year, bids were submitted to Welsh Government for Targeted Estates Funding (TEF). The Health Board was successful in obtaining £6.6m funding over 2-years for decarbonisation initiatives that include window replacements at Nevill Hall as well as insulation and heat pump installation at some of the staff residences buildings at Nevill Hall, delivering an annual carbon saving of 168 tonnes.

Communications

The communications team have been supporting the decarbonisation agenda with newsletters, Posters, Advertisements on the web, Video's, Apps. Training opportunities and more recently the inclusion of the green champions within ABUHB. As part of a new initiative the board members and the communication team will be looking to develop a Quarterly post board review/newsletter which will provide a summary of the previous Quarter results and a view of what to expect in the next quarter.

Health Care Services

The **Clinical and Health Service Planning Team** within the Decarbonisation Programme has grown into a vibrant, collaborative network of sub-groups driving real change across services. From promoting use of the Green Theatre checklist in operating theatres and exploring options to switch to digital consent in Endoscopy, to reducing waste in supply chains such as maternity packs and influencing prescribing habits in respiratory care, their work is making a measurable difference. The team's commitment to shared learning and spreading innovation has seen their projects adopted widely across ABUHB and beyond.

The Health Board proactively reduced the carbon emissions due to waste of Nitrous Oxide gas by decommissioning piped manifold supply in all eLGH sites and switching to a local cylinder supply where needed. An audit is underway to understand the N2O usage in the Grange University Hospital and whether the manifold can be downsized.

The annual purchase data from BOC Ltd reported a significant reduction in the health board's use of nitrous oxide.

As a result of the decommissioning of the manifolds and the change to cylinder use the health board has seen a reduction of more than 1.6 million litres of nitrous oxide being used, over the last two years.

The plan for the next year is to increase awareness of appropriate glove use and conduct glove audits to understand how staff are using the gloves and provide education if used inappropriately.

Under the Clinical and Healthcare Planning group, there are five priorities for 2025-26:

1. **Reduction in the waste of medical gases**
2. **Reduction in the unnecessary use of non-sterile gloves**
3. **Increase numbers of green wards and champions**
4. **Reduction in waste in sterile packs**
5. **Reduction in unnecessary blood tests**

Resources Group

The resources group comprises of 3 elements of which the first is the introduction of a dashboard for measuring the carbon reduction on all aspects of the decarbonisation programme. The WG have announced that this will be possible from the information that has been produced through the previous DCR reporting to NWSSP. This will be

available to all organisations from Mid-May and can form part of the board reporting aspects of the highlight reports in the resources section of the plan.

The second element is the digital space which is moving at pace with around 40+ robotic interventions developed using the latest robotic interfaces in the health board. This is a different aspect to AI as it does not provide the machine learning capability but allows the individual systems to speak to each other hence saving manual administration activities.

The third element is the training aspects of everything we do to develop our staff in ABUHB which during 2024/25 we have trained staff in SusQi with our ABCi support along with HEIW Carbon Literacy Training, Green Champion training & now this year 2025/26 we will be monitoring the uptake of the ESR Carbon modules that were introduced recently.

Row Labels	Count of Org L4
000 Building a Net Zero NHS	14
000 Environmental Sustainability in Quality Improvement	9
000 NHS Wales - Climate Change and Sustainability	7
Grand Total	30

Waste

This group is a new initiative for the decarbonisation programme so will start to develop through 2025/26. The Health Board continues to work towards introducing more sustainable and resource efficient methods of processing waste generated from health care activities. The Health Board is working towards a zero-waste to landfill approach (This figure is not currently available), in collaboration with external contractors. The vast majority of non-recyclable general waste now goes to energy-from-waste plants to generate sustainable electricity.

Inclusion of Adaptation January to December 2025.

The UK Climate Change Act 2008 provides a legal framework to cut UK greenhouse gas emissions and build the UK's ability to adapt to a changing climate. Responsibility for climate change adaptation is devolved, meaning national governments in Northern Ireland, Wales and Scotland are responsible for developing their own respective adaptation programmes and plans. The decarbonisation Members are actively involved in supporting the new adaptation tool kit which started in January 2025 with a target date for submission by December 2025. This will be added to the dashboard which will be used to monitor our delivery from June 2025, the adaptation delivery is now a strategic part of our future reporting format to NWSSP/WG.

7. – Agile Working



We understand the importance of agile and flexible working to staff wellbeing through giving greater autonomy of work and improving work life balance. During 2024/25 we continued to strengthen our Agile Working Strategy, building on areas of good practice underpinned by a set of principles. The Strategy has been delivered through a workplan aligned to the Estate Strategy and Digital Strategy and a dashboard with measurable benefits of Agile/Hybrid working.

We have tested our Strategy this year through the delivery of a significant milestone in our Estate Strategy, the opening of Ty Gwent. The principles of working at Ty Gwent and the design of accommodation were based on agile working principles. A total of 570 staff were transferred to this new accommodation in late 2024. Whilst this was a new way of working for many staff, it has been well received and benefits delivered through improved team colocations and staff feeling valued through the investment in improved accommodation. The opening of Ty Gwent released additional benefits because of reducing lease premises and reducing the Estate footprint.

We are in the process of resetting our workplan for 2025/26 building on intelligence gained through the agile working evidence base, benefit measures, collaboration with agile networks and engagement with services. In conjunction with this, we will continue to update supporting frameworks and policies. The emerging priorities and workplan will be aligned with the Estate Strategy and Digital Strategy which continue to be the key enablers for the delivery of the Agile Strategy.

8. – Quality and Safety

In 2024/25, we kept a strong focus on improving the quality and safety of care by putting our *Quality Strategy* and *Patient Experience & Involvement Strategy* into action. This work supports our legal responsibilities under the *Duty of Quality* and *Duty of Candour*—making sure we are always honest, open, and focused on doing what is right for patients. We updated our implementation plan to make sure we are on track to meet these key priorities.

Our Performance Report—used by the Patient Quality, Safety, and Outcomes Committee—has grown stronger over the past year. It now gives a clear picture of assurance, what we have learned, and where we can improve. It looks at everything from patient experience to safety, clinical outcomes, and how efficiently we deliver care.

The Health Board uses the *Health and Care Quality Standards* to guide how we plan, deliver, and monitor services. We have also strengthened our *Quality Outcomes Framework*, making sure it reflects the six key areas of quality and the tools that help us deliver it.

Our commitment remains clear: to provide safe, high-quality care that is built around patients, with learning and improvement at its core. This will continue throughout 2025/26.



Putting Quality at the Heart of Your Care

We are working hard to deliver safe, effective, and high-quality care that meets national priorities and tackles local challenges. Our focus is on what matters most—improving patient experience, learning from feedback, and making care better every day.

To do this, we’re guided by six key areas, known as our *Pillars of Quality*: Patient and staff experience, Incident reporting, Complaints, concerns and compliments, Health, safety and security, Infection prevention and control and Safeguarding, these pillars help us track our performance, learn from what’s working well, and take action where improvements are needed. By strengthening our approach to quality, we aim to make sure every decision we make leads to better, safer care for everyone. Quality and safety are not just goals—they are part of everything we do.

Over the past year, the Health Board has made significant strides in improving patient care through the implementation of innovative feedback platforms, detailed monitoring of patient safety incidents, and a commitment to zero tolerance of preventable healthcare-associated infections. The introduction of Civica, an electronic feedback platform, has enhanced the collection and analysis of patient feedback, providing valuable insights into areas of positive performance and areas needing improvement.

The Patient Experience and Involvement Strategy makes a commitment to delivering person-centred care that puts the people at its heart, to deliver a positive patient experience. The launch of the system to capture patient’s experience across the Health Board (CIVICA), has provided the opportunity to receive direct patient feedback. Through this Strategy, the Health Board are committed to:

- Respecting people’s **values**, preferences and expressed need
- Improving **information** and education
- Improving **access** to care
- Improved provision of **emotional** support to relieve fear and anxiety
- **Involving** family, friends and people who matter to the individual
- Providing **continuity** and secure transition between healthcare settings
- Providing **physical comfort**
- Delivering **co-ordinated** care

Goals and Objectives

Quality Strategy	- This strategy will be aligned to and embedded within the organisational Quality Strategy. - Feedback from people will be used to support quality improvement activity and ensure learning.
Improved Involvement and Experience	- We will work with patients, families, carers, staff, communities and partners to determine what matters to people. - We will actively encourage and learn from feedback and make positive changes to improve experience. - We will expand upon and develop innovative ways to engage better with vulnerable groups, people with protected characteristics and people/communities with seldom heard voices.
Improved Accessibility	- We will engage with people to co-design and develop accessible, high quality and responsive services that provide a positive patient experience. - We will consider the Accessibility Standards to improve access to services and people's experiences.
Improved Person Centred Care	- Our organisational values and behaviours will be embedded in the principles of person-centred care. - We will use feedback to develop a programme of learning to help us embed person centred care across our services. - We will use digital narratives and other means to support learning events.
Prevention and Learning	- We will work with patients, families, carers, and staff to seek early resolution to concerns and complaints. - We will listen and learn from what may have gone wrong and ensure lessons are learned and used to improve experience and quality.
Accountability	- Patient Experience will be a priority in the organisations IMTP. - Thematic analysis of patient, family, carer, staff and community feedback to inform priorities for improvement. - Staff will be engaged in the Strategy implementation. - Progress reports will be scrutinised through Committees and Board.

Working Together for Safer, Better Care

We have continued to work closely with NHS Wales Boards, Trusts, and the NHS Wales Executive through the *Safer Care Partnership*. This national collaboration supports local teams in delivering safe, reliable, and high-quality care. As part of this, we have refreshed our approach to quality improvement and strengthened our ability to deliver change. Several improvement projects are already underway, with more to come. National work continues around caring for deteriorating patients and using standardised early warning scores to keep people safe. Other focused areas include tackling deconditioning (loss of physical ability due to inactivity) and building a strong *Quality Management System* to guide everything we do. This will form part of our workplan for 2025/26.

Learning and Improving, Together

Over the past year, we have built a strong culture of learning and improvement across the Health Board. The *Patient Quality and Safety Learning and Improvement Forum* has been key to this, creating regular opportunities for teams to come together, share experiences, and drive change across services.

At the heart of this approach is our *Listening and Learning Framework*. This helps us identify and act on learning in a meaningful way—making sure good practice is shared, and improvements are embedded. We have also made great use of our *Learning Repository*—a central place where knowledge is collected and shared to inspire innovation, shape improvements, and support excellence in care.

Throughout the next year, we will ensure these efforts are helping us to learn from experience, support staff, and deliver better outcomes for patients.

Driving Quality Through Action: What We've Achieved

We are proud of the strides we have made this year in improving care, improving people's experience, building staff skills, and creating a safer, more effective health system for all and will build on these in the next 12 months.

Quality Improvement – Building Skills, Changing Culture

We launched our Quality Improvement Capability approach, setting out a clear vision to become a truly learning organisation. Our first group of 31 Quality Improvement Coaches completed their training and are now helping us work towards an ambitious goal—a million minutes of coaching over the next four years. From better training to smarter tools, quality improvement is now firmly part of everyday practice across the Health Board.

Deteriorating Patients and Sepsis – Acting Fast, Saving Lives

In November 2024, we held a major workshop on caring for deteriorating patients. This work supports national safety priorities, including the implementation of standardised Early Warning Scores, these help to identify acute deterioration, to suggest a point at

which care needs to be escalated and to define a response to escalation triggers. This will involve implementing a standardised, national approach using evidence-based tools to ensure clarity, minimise risk and support improved patient outcomes. The use of All Wales Early Warning Scores such as National Early Warning Score 2 (NEWS2), Paediatric Early Warning Score (PEWS), Maternity Early Warning Scores (MEWS) and the Newborn Early Warning Track and Trigger 2 will help the workforce spot signs and serious illness earlier.

We are developing new sepsis monitoring tools and staff education to boost early recognition and treatment. We have launched an internal sepsis awareness campaign for staff over winter. A public-facing campaign is due to launch in Q1 of 2025, aimed at improving public awareness of signs and symptoms of sepsis and inform them when and where to seek help"

Human Factors – Learning from Practice

Our focus on Human Factors—how people interact with systems and environments—has grown across the Health Board. A major milestone was reached when our theatre safety improvement project was accepted for presentation at the International Forum on Quality and Safety in Quebec.

Infection Prevention and Control – Staying One Step Ahead

We've continued to tackle infections like C. difficile, Staph Aureus, and E. coli with strong monitoring, training, and evidence-based policies. Unfortunately, this has not led to the Health Board achieving the trajectory outlined by Welsh Government,

Ward/Team Accreditation – Recognising Excellence

Ward/Team Accreditation facilitates high standards through regular senior nurse visits and clinical audits. Implementation of our Ward/Team Accreditation Programme has been divided into three phases. Phase one is complete, with partial completion of phase 2 and is embedded in 78 clinical areas. So far, eight teams have received bronze awards for their quality and safety efforts.

• Priorities for the next year:

- Completion of phase 2 & 3; extending accreditation to teams including health visiting, district nursing and maternity services.
- Supporting wards/teams to move through the accreditation process – to include Phase 1 areas who will all have achieved bronze level of accreditation, with more than 20 achieving silver and 5 achieving gold.

• What We've Achieved This Year: A Look at Our Pillars of Quality

- Across 2024/25, Aneurin Bevan University Health Board has continued to deliver safe, effective care while listening, learning, and improving. For the next year we

will be updating our objectives and milestone mapped to our pillars of quality. Here is how we have made a difference across the six key quality areas:

Patient and Staff Feedback – Listening, Learning, Improving

We introduced *Civica*, a digital feedback tool, making it easier to understand how patients and staff feel about our services. So far, 91% of emotional responses have been positive. Feedback themes often highlight compassion, support, and kindness.

We are actively working towards setting up *patient participation panels*, strengthened our *PALS* and *bereavement services*, and launched a "*Big Conversation for Future Care Planning (FCP)*" to involve the public in improving communication and information and planning for FCP services and ongoing involvement of the population.

Successes:

- Record-high survey responses in February 2025
- New SMS surveys launched in the Emergency Department to make it easier for the Public to provide feedback
- More patients involved in shaping services, particularly around dementia and neurodiversity.
- Established Bereavement Collaboratives inclusive of people, staff and partners.
- Increased involvement of people living with dementia and their carers through targeted community engagement.
- Developed public information on Treatment Escalation Planning including Easy Read that has been adopted across Wales.

Challenges:

- Low uptake of QR code and paper surveys—SMS aims to boost this
- Divisional reporting in regard to 'you said, we did'.

Incident Reporting – Safer Care, Together

We remain committed to learning from incidents and reducing avoidable harm. Between April 2024 and February 2025, 504 moderate or above harm incidents were reported—a slight drop from the previous year.

Successes:

- No *Never Events* in Theatres since November 2023
- Better reporting of early warning notifications to Welsh Government
- 99% of falls were no or low harm
- Risk-Adjusted Mortality Index (RAMI) remains stable at 101.91
- The Health Board proactively reports and manages all patient safety incidents to reduce future risks and mitigate further recurrence
- The Patient Safety Incident policy promotes an open reporting culture that encourages staff to look critically at their own actions and those of their teams, with an emphasis on learning and not blame
- Learning is at the heart of all claims investigated by the Health Board, with local Divisional teams responsible for the development of Learning from Events Reports,

the assurance of actions taken, with support from the Divisional senior leadership team and Divisional Director final approval and sign off.

- As of November 2024, LFER's are sent from Legal Services directly to the relevant Divisional Triumvirate teams to have ownership and oversight of the completion and return of the LFER with supporting evidence, within prescribed timescales. At the beginning of every month a spreadsheet is sent to each Division to assist with identifying and tracking any outstanding LFER's.
- **Organisational focus on Nutrition & Hydration:** The Health Board recognises the importance of appropriate N&H for better patient care and outcomes. Two task and finish groups have undertaken a multidisciplinary approach to improving fluid balancing monitoring as well as providing an escalation protocol for patients at risk through delays in artificial nutritional care. This and future work is supported by a refreshed N&H steering group. Food standards and clinical standards sub-groups feed into the steering group to provide the operational influence
- **Embedding Speaking Up Safely:** The Health Board is committed to embedding Speaking Up Safely as part of its culture
- **Compliance in NRI's** increased from 29% in July 2024 to 77% in January 2025. However, by the end of the year, this figure had slightly decreased to 63%. This decline is partly due to vacancies, sickness, and the addition of new members to the divisional and Corporate PSI Teams. By the end of March 2025, the Corporate PSI Team was fully staffed, providing a greater opportunity to monitor and improve compliance once again

Challenges:

- Maintaining open reporting culture while continuing to reduce harm
- **Balancing Safety Intelligence:** Incident reports are just one part of the assurance framework and should be considered within the broader context of other sources of safety intelligence.
- Welsh Risk Pool financial penalties for late or outstanding assurance of learning

Falls – Caring for those at Risk (Hospital Adult Inpatients)

We continue to strive for improvements in managing falls and falls-related injuries by adopting a multifaceted approach that considers both individual and environmental factors. Our goal is to minimize the risk of injury from falls and maintain quality of life.

Successes

- **National Contributions:** Contributed to the development of the Falls National Head Injuries pathway and the National Inpatient Falls Network's work on sensor use, setting a national standard.
- **Digital Integration:**
 - Successful rollout of the Welsh Nursing Care Record (WNCR) Multi-Factorial Risk Assessment (MFRA) to adult inpatient wards.
- Modified MFRA developed for use in Emergency Departments (ED), adopted in assessment units.

- Training: Progress in developing a national approach to implementing ESR modules for mandatory falls training.
- Review of Falls Incidents: Agreement to transition to a new approach to reviewing falls incidents by means of a Falls Strategic Oversight Panel (FSOP) with alignment to the National Audit of Inpatients Falls (NAIF) Annual Report 2024 to consider all falls with fractures and falls related head injuries.
- Post-Fall Management: Successful procurement of additional flat lifting equipment in support of improvements in post falls care.
- Initiatives:
 - Rollout of the swarm's methodology to further promote the MDT approach.
 - Implementation of the yellow wristband initiative to visually indicate patients at risk of falls.

Challenges:

- Development of a fall's dashboard representing real-time activity.
- Strengthening assurance controls to mitigate falls risk by enhancing data availability related to WNCR-MFRA, DECI, One Patient One audits and ward accreditation.
- The required successful digital integration of an immediate post falls risk assessment as part of WNCR once ratified nationally.
- Compliance with reporting falls incidents under RIDDOR.
- Ongoing work in relation to admission avoidance for those who have experienced a fall in the community setting.
- Expanding the opportunities for falls prevention and management within falls resources available to the Health Board.

Complaints, Concerns & Compliments – Listening to Every Voice

We are resolving more complaints earlier and capturing more compliments than ever before.

Successes:

- 67% early resolution rate for complaints
- Greater than 9 months+ reduced by 72% in the last 12 months Deep dives into divisions have led to significant reductions in the number of open formal concerns
- Reduced number of formal complaints thanks to improved early resolution
- Compliments now tracked in both Civica and Datix systems

Challenges:

- Continued effort needed to further reduce formal complaint volumes
- Formal complaints compliance still below target
- Consistent communication with complainants

Health, Safety and Security – A Safe Environment for All

We've seen big improvements in safety compliance and contributed to national work on reducing violence and aggression.

Successes:

- *RIDDOR compliance* improved from 68.4% to 86.4%
- Developed a *Violence Prevention & Reduction Strategy*
- Improved *fire safety and manual handling training*
- *New patient safety bedside boards in ward areas.*

Challenges:

- Manual handling compliance still below target—training ongoing
- Fire response changes require ongoing staff engagement

Infection Prevention and Control – Staying Ahead of the Curve

We have taken a zero-tolerance approach to healthcare-acquired infections (HCAIs), using data and focused action to drive change.

Successes:

- Targeted actions for *C. difficile*, *Staph aureus*, and *E. coli*
- Strong focus on *hand hygiene and environmental cleaning*
- Infection-specific working groups created QI projects
- Refreshed intranet as an additional resource for staff
- Webinars for specific focus for education
- Divisional dashboard for timely surveillance

Challenges:

- Ongoing work needed to reduce infection rates in some areas
 - Human factors and non-adherence to Infection prevention fundamentals of care
 - Condition of some of our hospital premises
 - High prevalence of winter virus, escalation process in development in collaboration with PHW colleagues
- Balancing whole systems risks for patient placement and enhanced cleaning, a review of the process will be undertaken for 2025/26

Safeguarding – Protecting the Vulnerable

We have formalised and strengthened our safeguarding processes internally within the Health Board, alongside strengthening our relationships with Local Authorities, Police and Probation as our statutory partners.

Successes:

- Increased compliance with Level 1 and 2 Adults and Children Safeguarding Training to be consistently above 80%, though further work is required to reach the target of 90%
- Mandating of Level 3 Training Safeguarding Adults and Children via ESR
- Worked with Divisions to develop processes to ensure that progress of complex investigations is monitored and escalated, whilst ensuring that early learning is identified and embedded into practice

- Re - launched *Strategic Safeguarding Group*, whilst implementing subgroups to oversee and deliver improvements in key priority areas
- Developed a rollout plan and implemented its first stages to ensure that the Datix Safeguarding Module is utilised for case management and monitoring of actions.

Challenges:

- Expanding safeguarding efforts to keep pace with growing need
- Meeting the demand in regard of Level 3 Safeguarding Training
- Monitoring and improving quality of safeguarding referrals

Learning from Deaths – Turning Reflection into Safer Care

At Aneurin Bevan University Health Board, we believe that every life matters — and every death offers a vital opportunity for learning and improvement. Over the past year, we have strengthened our approach through the development of a comprehensive Learning from Deaths framework, supported by a detailed report capturing key mortality metrics and insights.

Our Risk Adjusted Mortality Index (RAMI) improved, positioning the Health Board as the second best-performing in Wales. Crude mortality rates remained steady, while specific mortality rates for conditions such as myocardial infarction (heart attacks) and stroke showed a noticeable decline, reflecting better recognition, response, and management in these critical areas.

The Medical Examiner Service expanded to include primary care, paediatrics, neonates, maternity, and gynaecology. The referrals made, contributing to a growing understanding of care pathways and areas for improvement. Themes identified through these reviews were shared via newsletters and briefings, ensuring learning is disseminated across teams and embedded into practice.

Importantly, the Health Board recorded a reduction in confirmed suicides. This reflects ongoing efforts to improve mental health support and early intervention. Enhanced reporting processes also helped improve the identification of deaths in patients with learning disabilities, ensuring that no voices are missed in our mission to learn and improve.

Clinical Effectiveness

Ensuring clinical care is consistently safe, effective, and evidence-based is central to the Health Board's vision. Over the last year, we have actively participated in the National Clinical Audit Programme, using its findings to benchmark the quality of care we provide and identify areas for focused improvement.

Each national audit undertaken has offered valuable insights into our strengths and areas for development. These have been discussed in detail by the Clinical Standards and Effectiveness Group and reported through to the Patient Quality, Safety, and Outcomes Committee, ensuring clear oversight and accountability.

As part of this work, we have developed and implemented an Annual Clinical Audit Plan, ensuring that our participation in national and local audits remains structured and purposeful. Local actions and recommendations have been shaped from the results, helping us refine practice, raise standards, and deliver better outcomes for our patients.

This ongoing focus on clinical effectiveness ensures we continue to improve, respond to evidence, and provide the highest quality care to the communities we serve.

These achievements reflect our unwavering commitment to quality, safety, and patient-centred care which we will build on annually. By embedding learning and improvement at every level, we are creating a stronger, safer health system for everyone.

9. Well-Being of Future Generations

The Wellbeing of Future Generations (Wales) Act (2015) ('the Act') has the central aim of improving the social, economic, environmental and cultural wellbeing of Wales, whilst also reducing health inequalities through long term prevention and the delivery of sustainable, outcome focused services. The Act has seven wellbeing goals and five ways of working which help organisations understand how they can work more sustainably together to meet the duties of the Act.



Source: Future Generations Commissioner for Wales

Gwent Well-being Plan

During 2023/24, Aneurin Bevan University Health Board worked closely with partners in Gwent Public Services Board to turn the findings of the Gwent well-being assessment into a well-being plan which will improve the social, economic, environmental and cultural wellbeing of citizens in Gwent. Using the five ways of working, Public Services Board partners have worked together to develop a plan which will deliver ambitious and transformational change that cannot be achieved by individual organisations alone. The plan will cover the five-year period 2023-28, and is based on two strategic objectives and five steps. These are:

Gwent Well-being Plan strategic objectives:

1. We want to create a fairer, more equitable and inclusive Gwent for all.
2. We want a climate-ready Gwent, where our environment is valued and protected, benefitting our well-being now and for future generations.

Gwent Well-being Plan steps:

1. Take action to reduce the cost-of-living crisis in the longer term.
2. Provide and enable the supply of good quality, affordable, appropriate homes.
3. Taking action to reduce our carbon emissions, help Gwent adapt to climate change, and protect and restore our natural environment.
4. Take action to address inequities, particularly in relation to health, through the framework of the Marmot Principles.
5. Enable and support people, neighborhoods, and communities to be resilient, connected, thriving and safe.

During 2024/2025 the Aneurin Bevan University Health Board continued to work closely with Gwent Public Services Board partners, establishing an up-to-date picture of delivery across Gwent against the recommended actions from the Building a Fairer Gwent report, monitoring progress against the Marmot recommendations amongst PSB partner organisations.

The Marmot recommendations were categorised into the four Areas of Focus for the PSB to monitor progress and identify any gaps or opportunities for regional delivery against each of the Area of Focus:-

1. That every child has the best start in life (agreed as the initial Area of Focus)
2. That everyone lives in a place they feel safe
3. That everyone has the same economic chances
4. That everyone lives in a climate-ready community where their environment is valued and protected

As part of the ongoing collaboration between Gwent Public Services and Public Health Wales (PHW), significant progress has been made in developing the regional area of focus on ensuring the Best Start in Life for children and families across Gwent.

PHW is leading this priority area, with current work centred on:

- Agreeing a shared definition of what constitutes a "Best Start in Life," ensuring all partners are aligned in their understanding and approach.
- Identifying key workstreams that will underpin delivery, aligned with this shared definition.

A distributed leadership model is being developed to support this work. This model will enable the appointment of workstream leads who will establish task groups and develop detailed delivery plans. A core principle of this work is the realisation of children's rights, which will underpin all aspects of planning and delivery.

Progress monitoring and assessment have been crucial in tracking the implementation of the Marmot recommendations. The Gwent Strategic Well-being Action Group (GSWAG) engaged local authorities and the Health Board to ensure comprehensive monitoring. The Gwent Joint Strategic Assessment (JSA) Team committed to providing baseline and trend data to monitor progress, inviting partners to flag any data gaps for inclusion in the JSA.

Initial findings indicated progress in early years health, such as the Healthy and Sustainable Pre-School Scheme, and education, including efforts to address school absences. However, overall progress has been mixed, highlighting several opportunities for improvement.

The Gwent PSB agreed the following:

- i. Note the initial findings from the regional assessment of progress towards the year one Marmot recommendations relating to the Best Start in Life Area of Focus and provide feedback on the approach taken.
- ii. Ensure the collation of further intelligence/updates from your partner organisations on the outlined recommendations for Best Start in Life.
- iii. Consider where regional influence and coordination from the PSB can add most value in support progress against the Best Start in Life Marmot recommendations in the short, medium and long-term.
- iv. Agree a PSB member to lead and shape the delivery of the Marmot approach recommended in the Building a Fairer Gwent report for Best Start in Life.
- v. Agree to lead the next regional assessment of progress towards the year one Marmot recommendations and shaping delivery relating to:
 - Climate-Ready Communities
 - Economic Chances
 - Safe Places
- vi. PSB members to deliver approach within their own partner organisation to support PSB collective agreement to become a Marmot region

The two-year tenure of Cllr. Sean Morgan as Chair of Gwent Public Services Board (PSB) ended in December 2024 and Cllr. Anthony Hunt, Leader of Torfaen County Borough Council, has now taken over the role of Chair. Tracy Daszkiewicz (Executive Director for Public Health & Strategic Partnerships) has been appointed to the role of Vice-Chair, enabling the Gwent-wide partnership to continue to address inequity and the wider determinants of health as part of 'Building a Fairer Gwent'.

Aneurin Bevan University Health Board Wellbeing Objectives

The development of our new strategy Gwent 2035 champions population health and puts the Wellbeing of Future Generations at the heart of everything we do to improve the health of our population through partnerships. The development of a new strategy has provided a unique opportunity to look to the future with communities in order to determine: what matters to them; and how we can work in partnership to improve wellbeing through place-based care. Under the Wellbeing of Future Generations Act (2015) we have a statutory responsibility to set and publish wellbeing objectives and these are proposed to be our new strategic aims as set out below:

Our Aims

	Together we will support people to be healthy, active and happy.
	Together we will deliver what matters to people, supporting our staff to thrive and achieving quality, kind and sustainable care.
	Together we will create strong, safe and connected communities.

During 2023/24 Aneurin Bevan University Health Board has continued to maintain a life course approach to its wellbeing objectives as it continues to endeavour to reduce health inequalities and improve population health. Unlike a disease-oriented approach, which focuses on interventions for a single condition often at a single life stage, the life course approach considers the critical stages, transitions, and settings where large differences can be made in promoting or restoring health and wellbeing of both current and future generations. Adopting the life course approach means identifying opportunities for minimising risk factors and enhancing protective factors through evidence-based interventions at important life stages, from the perinatal period through early childhood to adolescence, working age, pre-conception and the family-building years, and into older age. It also capitalises on the potential to deliver an intergenerational approach to health improvement and reduce health inequalities from generation to generation and improve conditions of daily life. Our health services are there to provide universal coverage to everyone throughout the life course, whilst also recognising that we need to provide more support to those in greatest need.

This approach requires holistic, long-term, policy and investment strategies and engagement that promote better health outcomes for individuals and greater health equity in the population. Aneurin Bevan University Health Board is confident this approach can achieve high returns for health and sustainable development, both by limiting ill health and the accumulation of risk throughout life and by contributing to social and economic development.

The five ways of working set out in the Act have continued to be demonstrated by Aneurin Bevan University Health Board in 2023/24. Through the regional partnership arrangements of the Regional Partnership Board and Public Services Board, integration has been demonstrated through joint approaches to wellbeing, health and social care delivery. Aneurin Bevan University Health Board’s communications team have undertaken a number of public involvement and engagement activities during 2023/24. Through work on the Well-being Plan and Area Plan, Aneurin Bevan University Health Board has worked in partnership to establish a long-term vision for wellbeing in Gwent. Through ‘Building a Fairer Gwent’, Aneurin Bevan University Health Board has worked in partnership to deliver an approach to prevention embedded in the social determinants of health. Finally, the work of both Gwent Regional Partnership Board and Gwent Public Services Board demonstrate how Aneurin Bevan University Health Board is working in collaboration to achieve gains for the population of Gwent that cannot be delivered by individual organisations alone.

Putting neighbourhoods and place at the heart of the health and social care system

Over the last 10-15 years the healthcare system has struggled to meet the rising demand and needs for health and care services due to factors such as an ageing population, increasing complexity, workforce supply challenges and the widening gap in healthy life expectancy. The Health Board and its partners are working together to break down traditional barriers between organisations, teams and funding streams to put neighbourhoods and place at the heart of the health and social care system. This aims to support a rapid shift towards prevention, early intervention and self-care, focusing on what matters to people and communities. The approach will place a greater emphasis on physical and mental well-being within the context of people's day-to-day lives and on reducing health inequalities.

Place Based Care has long been recognised as the strategic approach for:

- Building resilient and connected communities
- Prevention and earlier intervention
- Reducing health inequalities
- Collaborative working to establish effective and efficient multi-disciplinary teams
- Providing care closer to home and streamlining access to specialist care
- Reducing preventable admissions and optimal hospital discharge through a Home First approach

The Place Based Care model in the Health Board is based on a continuum from building resilient communities through to intermediate care service to prevent avoidable admissions and support timely discharge (see below).



The Integrated Wellbeing Network programme (see above) is funded by the RPB to:

- Engage communities and build capacity for community-led approaches to health improvement and reducing inequities
- Map and organising community asset so they are clearly accessible to the public and professionals
- Bridge, link and co-ordinate wellbeing assets in each neighbourhood
- Supporting individual and group behaviour change to help people prevent health problems and live well with long term conditions

The Neighbourhood Care Networks (see above) are focussed on four priority areas:

- Multidisciplinary working for people with complex needs, including but not exclusively, people with moderate or severe frailty.
- Reducing premature mortality and morbidity through prevention and management of diabetes and cardiovascular risk factors, initially hypertension case finding and management.
- Connecting people to non-medical activities, groups and services in their community which can address their practical, social and emotional needs
- Equity of access to supplementary services particularly for Inclusion Health groups

At the heart of the proposed approach is bringing together Public Health, Primary Care and Community Services to create Integrated Neighbourhood Teams serving populations of around 20-30,000 people. Doing this is a key part of the plan for improving health outcomes for the population and tackle inequalities as set out in Building a Fairer Gwent (Marmot Report). The principles underpinning Integrated Neighbourhood Teams is rooted in a shared ownership for the health and well-being of the local population and brings together professionals and practitioners that have a high level of interaction with each other and the local population. It will require a culture of collaboration with time and space to build trusted relationships, solve problems and agree more effective ways of working. This will replace complex referral and administrative systems that can often create barriers, with a more rapid, relationships-based approach to providing health, care and well-being support.

The Health Board and partners will be developing plans to advance Place Based Care in each Borough through Integrated Services Partnership Boards in conjunction with the local Integrated Wellbeing Networks and NCNs.

Improving access to healthier food especially for our youngest children

Gwent Public Health Team are working with partners across Gwent to take a 'whole system approach' to healthy weight and identify the most impactful levers for 'system change'. A 'whole system approach' presents an opportunity to work with communities and partners at a local level to tackle and prevent the underlying causes of obesity, complimenting work being undertaken nationally by PHW and Welsh Government. Across Gwent our aims are to:

1. Embed healthy weight ambitions and goals within local strategic partnerships and plans

We are working to maximise opportunities for planning policy to contribute to the creation of healthier environments by contributing to the Replacement Local Development Plans. We are also working with Food Partnerships to embed healthy weight into council food strategies and programmes and have gathered views from residents across Gwent as part of a Great Weight Debate.

2. Increase access to healthier food for early years children and their families

We are working with stakeholders across Gwent to create a framework for action for healthier food in childcare settings. We are supporting childcare settings to create opportunities for children to explore a range of foods via sensory food play and the engagement of parents. We recognise the challenge of eating well for families when they are out and about around Gwent. To address this we are exploring opportunities for promoting access to healthier food in public sector venues, such as leisure centres, visited by early years children and their families.

3. Support ABUHB to become an exemplar health promoting Health Board

We recognise the potential for ABUHB to act as an exemplar on Public Sector Catering and are exploring opportunities to increase access to healthier foods in our own catering.

For further information, please visit:

Gwent Regional Partnership Board <https://gwentrbp.wales/>

Gwent Public Services Board <http://www.gwentpsb.org/en/>

11. Equality, Diversity and Inclusion

The Health Board published its Strategic Equality Action Plan for 2024 – 2028 in March 2024, in line with the Public Sector Equality Duty (2011), demonstrating its commitment to advancing Equality, Diversity, and Inclusion (EDI) and fulfilling its statutory responsibilities under the Equality Act (2010) and the Human Rights Act (1998).

Our Strategic Equality Plan update published in March 2025 highlights the progress made in embedding equitable, inclusive, and person-centered approaches across the organisation in Year 1 of our new plan.

Key achievements during **2024/25** include:

- Commencement of Engagement with Staff, Patients and the Public to coproduce an Aneurin Bevan LGBTQ+ Action Plan
- Further Expansion of Staff Diversity Networks and Advisory Boards, with Executive Sponsors and Chairs playing a more active role in shaping strategic EDI initiatives, including the publication of the Strategic Communications Framework for Staff Networks.
- Continued Implementation of the Health Board's Anti-Racism Action Plan, aligning with the Welsh Government's Anti-Racist Wales Action Plan. With key achievements around the introduction of our Reverse Mentorship Scheme, our IMG Induction for Internationally Educated colleagues, working with HEIW and the BMA around Improving Employee Experience for our Black and Ethnic Minority Groups and the achievement of Diverse Cymru Cultural Competence Certificate across a number of teams.

- Enhanced accessibility and inclusion initiatives, including the continued Health Board- wide rollout of the SignLive service, providing real-time British Sign Language (BSL) interpretation for Deaf patients, families, and staff.
- The creation of Visually Better Spaces in clinical spaces including the Eye Clinic in the Royal Gwent Hospital
- The continued roll out of our bespoke Visual Awareness Training to colleagues across the Health Board
- The roll out of our Health and Well-Being Passport for Staff developed in collaboration between our Equality, Diversity and Inclusion Disability Lead, Occupational Health and Trade Union Representative.
- The delivery of Widening Access projects such as the Skills Surgery, a project introducing Year 6 students to careers in Health. Delivered to two Primary Schools, Ysgol Gymraeg Bro Helyg in Blaenau Gwent and Pill Primary School in Newport.

The key achievements in Year 1 of our Strategic Equality Plan demonstrates the Health Board's ongoing dedication to fostering an inclusive and equitable workplace and healthcare environment. EDI and Human Rights remain key executive and board-level priorities, with a continued focus on monitoring, measuring, and driving sustainable progress in addressing health and workplace inequalities.

12. Welsh Language Regulations

The Health Board has published its annual report for 2023/24 on its website in both Welsh and English. This addresses the statutory duty of Aneurin Bevan University Health Board to provide an annual account to the Welsh Language Commissioner on compliance with its Welsh Language Standards under the Welsh Language (Wales) Measure 2011. The report has been prepared in accordance with Welsh Language Standard 120. The report shows our progress and work in this field. It notes key achievements as well as our strategy and plans for the future.

<https://abuhb.nhs.wales/files/key-documents/other-reports/welsh-language-standards-annual-report-2023-2024-pdf/> English

<https://bipab.gig.cymru/ffeiliau/key-documents/adroddiad-blynyddol-safonaur-gymraeg-2023-2024-pdf/> Welsh

Some of the notable points from the report include:

- Establishment of a Welsh language tutor to work with staff who lack confidence in using the Welsh language skills they have. We have also further developed our training offer to all staff with a new system that better matches the learning offered with the needs of the individual.
- We have worked with our colleagues in Health Education and Improvement Wales as well as our partners in Careers Wales to offer appropriate information around career opportunities in Welsh to our future workforce. This includes the development

and delivery of our 'Syrjeri Sgiliau – Skills Surgery' programme designed for Primary School children.

- Working with our colleagues across the Workforce and Organisational Development directorate we have delivered bespoke training around Welsh language service delivery in induction programmes such as the Health Care Support Workers clinical induction. We've also delivered training to leadership programmes such as the 'Leadership Development Programme and the 'Nursing & Midwifery Academy'.
- New resources have been generated to support our frontline staff who do not have Welsh language skills to utilise common basic Welsh phrases with patients.
- Working closely with our Digital, Data and Technology division we have ensured that any new technologies procured are fully functional for our Welsh speaking service users.

As a Health Board we work collaboratively with our colleagues across NHS Wales and have established a 'Welsh Language Leads' group to identify areas for collective work. We work closely with Welsh Government and maintain a strong positive relationship with the Welsh Language Commissioners office as we strive to deliver the best care to our Welsh speaking service users.

13. Financial Management and Performance

The Annual Accounts 2024/25, at Section 3 of the Annual Report and Accounts 2024/25, Page XX, sets out the detailed accounts for the full year to 31 March 2025 for Aneurin Bevan University Health Board. These accounts are prepared under International Financial Reporting Standards (IFRS).

The Health Board has two statutory financial duties:

- To breakeven over a rolling three-year period; and
- To submit an Integrated Medium-Term Plan (IMTP) to secure compliance with breakeven over three years.

Revenue Resource Performance

Aneurin Bevan University Health Board has not met its financial duty to break-even against its Revenue Resource Limit over the 3 years 2022-23 to 2024-25.

For the period 2024-25, the Board reported an overspend of £7,185K, as shown in the table below:

3 Year Revenue Breakeven Duty	2022-23	2023-24	2024-25	Total
Underspend Against Allocation	- 36,842	- 49,766	- 7,185	- 93,793

Capital Resource Performance

In addition to a revenue resource limit the Health Board has a capital resource limit (CRL) that sets the target for capital expenditure. The target of £70.475m was met in

2024/25 with a small underspend of £66K. The target is measured over a 3 year period as shown below:

3 Year Capital Resource Duty	2022-23	2023-24	2024-25	Total
Underspend Against Allocation	43	41	66	150

Long-term Expenditure Trends, 2019-2020 to 2024-2025

3. Analysis of gross operating costs

	£'000	£'000	£'000	£'000	£'000	£'000
3.1 Expenditure on Primary Healthcare Services	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
General Medical Services	103,343	108,993	112,524	116,217	122,671	132,671
Pharmaceutical Services	22,900	27,109	25,082	25,273	25,756	29,224
General Dental Services	36,608	33,079	38,030	39,817	39,870	44,444
General Ophthalmic Services	8,911	8,734	9,343	8,866	10,659	15,075
Other Primary Health Care expenditure	2,872	2,289	2,487	2,612	4,373	4,729
Prescribed drugs and appliances	102,280	106,852	106,282	114,331	121,947	125,771
Total	276,914	287,056	293,748	307,116	325,276	351,914

	£'000	£'000	£'000	£'000	£'000	£'000
3.2 Expenditure on healthcare from other providers	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Goods and Services from Other NHSbodies	103,179	103,278	117,637	117,587	129,254	133,417
Goods and services from WHSSC / EASC	144,458	161,384	177,035	198,320	208,640	218,320
Continuing Care	71,005	81,347	83,675	86,006	99,136	99,904
Other	61,107	71,795	85,054	72,240	71,368	75,577
Total	379,749	417,804	463,401	474,153	508,398	527,218

	£'000	£'000	£'000	£'000	£'000	£'000
3.3 Expenditure on Hospital and Community Health Services	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Staff Costs	579,760	671,972	714,255	762,081	788,715	888,882
Non Pay	152,277	172,611	191,827	200,118	238,743	221,017
Depreciation and Impairments	23,197	96,361	31,056	30,804	59,994	49,908
Losses, special payments and irrecoverable debts	3,154	1,886	2,831	1,526	3,217	3,065
Other operating expenses	7,990	8,526	11,009	9,538	14,599	15,053
Total	766,378	951,356	950,978	1,004,067	1,105,268	1,177,925

14. Conclusion and Forward Look

To be updated upon finalisation of the performance data

Part 2: Accountability Report

**1st April 2024 –
31st March 2025**

INTRODUCTION TO THE ACCOUNTABILITY REPORT

Aneurin Bevan University Health Board is required to publish, as part of our annual reporting, an Accountability Report. The purpose of the Accountability Report section of the Annual Report has been designed to demonstrate the ways in which the Health Board is meeting its key accountability and reporting requirements.

This Accountability Report has three sections:

1. Corporate Governance Report

This explains the composition of the Health Board, its governance structures and arrangements and how the Health Board seeks to achieve its objectives and responsibilities to meet the needs of the people we serve. The Corporate Governance Report includes:

- A. The Directors' Report
- B. The Statement of the Chief Executive as the Accountable Officer and the Statement of Directors' Responsibilities in respect of the Accounts
- C. The Annual Governance Statement.

2. Remuneration and Staff Report

This section contains information about the staff of the organisation, particularly focusing on the remuneration of its Board and senior management, fair pay ratios and other staff information, such as sickness absence rates.

3. Senedd Cymru/Welsh Parliament Accountability and Audit Report

This section contains a range of disclosures on the regularity of expenditure, fees, charges, compliance with cost allocation, material remote contingent liabilities, long-term expenditure trends and charging requirements set out in HM Treasury guidance.

A: THE DIRECTORS' REPORT

Aneurin Bevan University Local Health Board is a statutory body that was established on 1st June 2009 and became operational on the 1 October 2009 under *The Local Health Boards (Establishment and Dissolution) (Wales) Order 2009 (S.I. 2009/778)*, "the Establishment Order".

The Local Health Boards (Constitution, Membership and Procedures) (Wales) Regulations 2009 (S.I. 2009/779) ("The Constitution Regulations") set out the constitution and membership arrangements of Local Health Boards, the appointment and eligibility requirements of members, the term of office of non-officer members and associate members. In line with these Regulations the Board of Aneurin Bevan University Health Board comprises:

- a chair;
- a vice-chair;
- officer members; and
- non-officer members.

The members of the Board are collectively known as "the Board" or "Board members"; the officer and non-officer members (which includes the Chair) are referred to as Executive Directors and Independent Members respectively. All members have full voting rights.

In addition, Welsh Ministers may appoint up to three associate members. Associate members have no voting rights.

Before an individual may be appointed as a member or associate member they must meet the relevant eligibility requirements, set out in *The Local Health Boards (Constitution, Membership and Procedures) (Wales) Regulations 2009 (S.I. 2009/779) ("The Constitution Regulations")*, and continue to fulfil the relevant requirements throughout the time that they hold office. The Regulations can be accessed via the Government's legislation website:

<http://www.legislation.gov.uk/wsi/2009/779/contents/made>

Further detail on the Board's membership and composition during 2024/25 is available within Section C: The Annual Governance Statement.

Board Members' Interests

Details of company directorships and other significant interests held by members of the Board which may conflict with their responsibilities are maintained and updated on a regular basis.

The document, which can be accessed in the link below, shows details of directorships of other organisations or other interests that have been declared by the members of the Board of Aneurin Bevan University Health Board, and staff across the organisation, in line with the Standards of Business Conduct Policy, as at the 31st March 2025. This information is available on the Health Board's Internet site and can be accessed by following this [link \(UPDATE\)](#)

Personal Data Related Incidents

Information on personal data related incidents formally reported to the Information Commissioner's Office and "serious untoward incidents"

involving data loss or confidentiality breaches are detailed on page 47 of the Annual Governance Statement at Section C.

Environmental, Social and Community Issues

The Board is aware of the potential impact that the operation of the Health Board has on the environment and it is committed to wherever possible:

- Ensuring compliance with all relevant legislation and Welsh Government Directives;
- Working in a manner that protects the environment for future generations by ensuring that long term and short-term environmental issues are considered; and
- Preventing pollution and reducing potential environmental impact.

The Health Board complies with Biodiversity and Resilience of Ecosystems Duty under Section 6 of the Environment (Wales) Act 2016, which seeks to enhance resilience and biodiversity across the Health Board's estate.

The Board's Annual Report for 2024/25 and Integrated Medium Term-Plan (IMTP) 2022-25 (approved by the Board March 2023) sets out the Board's strategic priorities which have been set within the context (environmental, social and community issues) in which the Health Board is operating within.

The Performance Report (Part A) of the Annual Report and Accounts 2024/25 provides greater detail in relation to the achievements of the Health Board in delivering the IMTP during 2024/25.

Statement for Public Sector Information Holders

In-line with the disclosure requirements set out by the Welsh Government and HM Treasury, the Health Board confirms that it has complied with the cost allocation and charging requirements set out in HM Treasury guidance during the 2024/25 year.

B(1): STATEMENT OF THE CHIEF EXECUTIVE AS THE ACCOUNTABLE OFFICER OF ANEURIN BEVAN UNIVERSITY HEALTH BOARD

The Welsh Ministers have directed that the Chief Executive should be the Accountable Officer for Aneurin Bevan University Local Health Board. The relevant responsibilities of Accountable Officers, including their responsibility for the propriety and regularity of the public finances for

which they are answerable, and for the keeping of proper records, are set out in the Accountable Officer's Memorandum issued by the Welsh Government.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in my letter of appointment as Accountable Officer.

As Accountable Officer, I confirm that, as far as I am aware, there is no relevant audit information of which the Health Board's Auditors are unaware, and I have taken all the steps that ought to have been taken to make myself aware of any relevant audit information and that the Health Board's auditors are aware of that information.

As Accountable Officer, I confirm that the Annual Report and Accounts 2024/25 as a whole is fair, balanced and understandable. I take personal responsibility for the Annual Report and Accounts and the judgements required for determining it as fair, balanced and understandable.

As Accountable Officer, I am responsible for authorising the issue of the financial statements on the date they are certified by the Auditor General for Wales.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in my letter of appointment as Accountable Officer.

Name: Nicola Prygodzicz, Chief Executive

Date:

SECTION B(2): STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS FOR 2024/25

The directors are required under the National Health Service Act (Wales) 2006 to prepare accounts for each financial year. The Welsh Ministers, with the approval of the Treasury, direct that these accounts give a true and fair view of the state of affairs of the Aneurin Bevan University Health Board and of the income and expenditure of the Health Board for that period.

In preparing those accounts, the directors are required to:

- apply on a consistent basis accounting principles laid down by the Welsh Ministers with the approval of the Treasury
- make judgements and estimates which are responsible and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the account.

The directors confirm that they have complied with the above requirements in preparing the accounts.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the authority and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned direction by the Welsh Ministers.

By Order of the Board

Signed:

Ann Lloyd, Chair

Dated:

Nicola Prygodzicz, Chief Executive

Dated:

Robert Holcombe, Director of Finance and Procurement

Dated:

C: ANNUAL GOVERNANCE STATEMENT 2024/25

SCOPE OF RESPONSIBILITY

The Board is accountable for Governance, Risk Management and Internal Control. As Chief Executive of the Board, I have responsibility for maintaining appropriate governance structures and procedures as well as a sound system of internal control that supports the achievement of the organisation's policies, aims and objectives, whilst safeguarding the public funds and the organisation's assets for which I am personally responsible. These are carried out in accordance with the responsibilities assigned by the Accountable Officer of NHS Wales.

The annual report outlines the different ways the organisation has had to work both internally and with partners in response to the unprecedented pressure in planning and providing services. It explains arrangements for ensuring standards of governance are maintained, risks are identified and mitigated and assurance has been sought and provided. Where necessary additional information is provided in the Governance Statement, however the intention has been to reduce duplication where possible. It is therefore necessary to review other sections in the Annual Report alongside this Governance Statement.

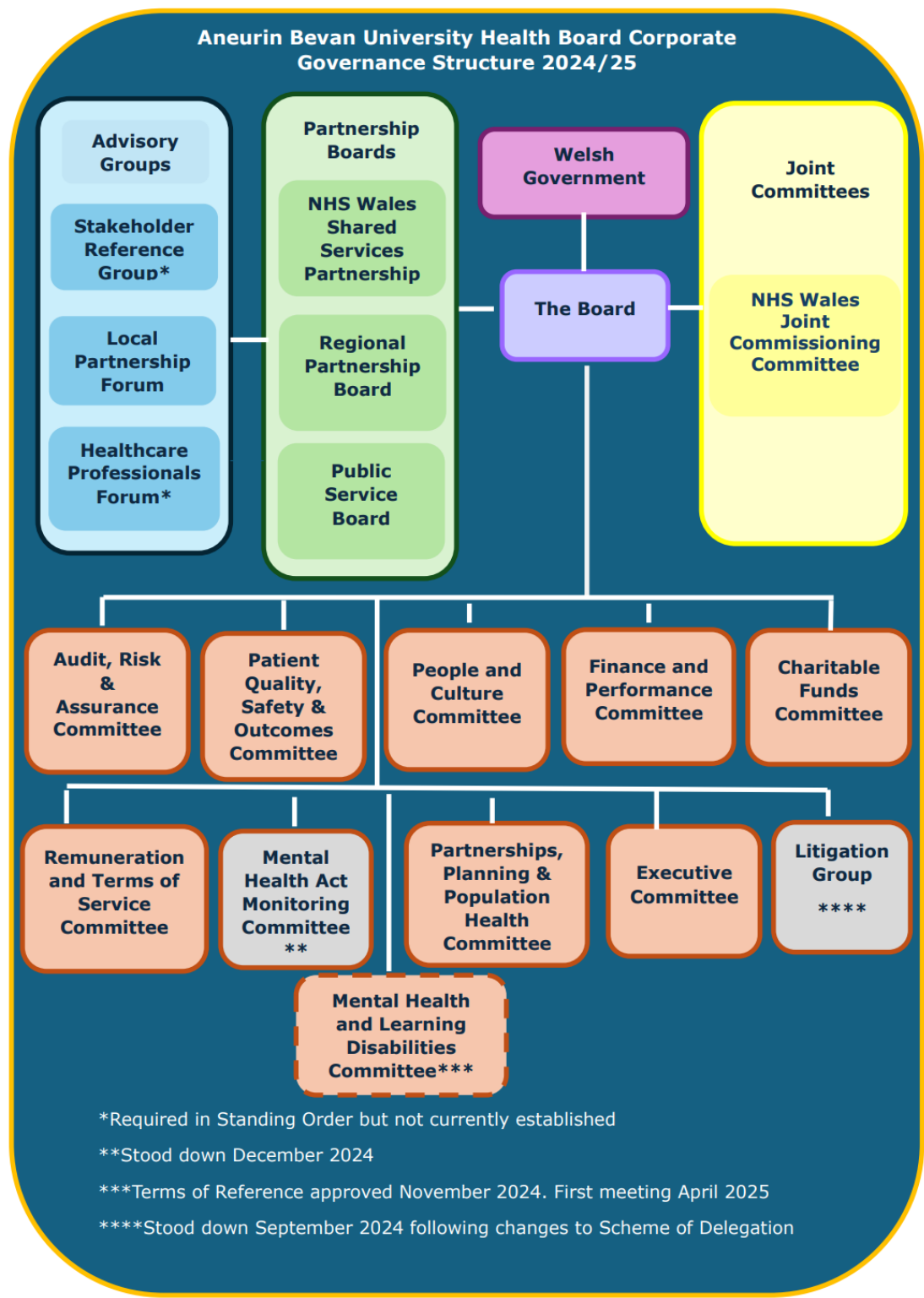
[Welsh Government's Escalation and Intervention Arrangements for NHS Wales](#) sets out the collective arrangements in place between the Welsh Government and external review bodies for identifying and responding to serious issues affecting NHS service delivery, quality and safety of care, and organisational effectiveness. As at 31st March 2025, Aneurin Bevan University Health Board was in 'Targeted Intervention' for planning and finance and 'Enhanced Monitoring' for performance and outcomes related to urgent and emergency care pathways as a result of extended waits for patients in ambulances and emergency department clinical assessment at the Grange University Hospital. The Performance Report (Part 1) of the Annual Report and Accounts for 2024/25 provides greater detail on the Health Board's performance and improvement actions in these areas.

OUR GOVERNANCE AND ASSURANCE FRAMEWORK

Aneurin Bevan University Health Board has agreed Standing Orders for the regulation of proceedings and business of the organisation. These are designed to translate the statutory requirements set out in the *Local Health Boards, NHS Trusts and Special Health Authorities (Constitution, Membership and Procedures) (Miscellaneous Amendments) (Wales) Regulations 2024*, which came into force on the 20 January 2025, and the *Local Health Boards (Constitution, Membership and Procedures) (Wales) Regulations 2009*, into day to day operating practice. The Standing Orders, together with the adoption of a scheme of matters reserved to the Board, a scheme of delegation to officers and others and Standing Financial Instructions, provide the regulatory framework for the business conduct of

the Health Board and define its 'ways of working'. These documents, together with the Strategic Risk Register and a range of corporate policies set by the Health Board make up the Governance and Assurance Framework and arrangements of the organisation.

The diagram below outlines the corporate governance structure in place during 2024/25:



Delivery of the Governance Assurance Framework within the organisation is deployed through the Executive Team (as noted below in table 1), with each Executive Director having an agreed portfolio of delegated responsibilities. This is underpinned by operational divisions which lead operational planning and service delivery across primary and community care, mental health and learning disabilities, acute services, estates and facilities, all of which have ultimate accountability to the Chief Operating Officer.

Membership of the Health Board and its Committees

Attachment 1 provides the Board's membership during 2024/25 and attendance at Board meetings for this period. The membership of the Board and changes during 2024/25, are outlined in Table 1 below:

Name	Designation	Dates (If not full year)
Executive Directors		
Nicola Prygodzicz	Chief Executive	
Hannah Evans	Director of Strategy, Planning and Partnerships	
Rob Holcombe	Director of Finance and Procurement	
Dr James Calvert	Medical Director / Deputy Chief Executive	
Sarah Simmonds	Director of Workforce and OD	
Jennifer Winslade	Director of Nursing	
Peter Carr	Director of Allied Health Professions and Health Sciences	
Tracy Daszkiewicz	Director of Public Health	
Leanne Watkins	Chief Operating Officer	
Independent Members		
Ann Lloyd	Chair	
Pippa Britton	Vice Chair	Until 30/11/2024
Louise Wright	Independent Member (Trade Union)	
Richard G Clarke	Independent Member (Local Authority)	
Professor Helen Sweetland	Independent Member (University)	
Paul Deneen	Independent Member (Community)	
Iwan Jones	Independent Member (Finance)	
Dafydd Vaughan	Independent Member (Digital)	
Neil Patrick	Independent Member (Community)	From 01/04/2024
Penny Jones	Independent Member (Community)	
Martin Blakebrough*	Independent Member (Third Sector)	Until 08/06/2024

Name	Designation	Dates (If not full year)
Directors in Attendance**		
Paul Solloway	Director of Digital	
Special Advisors to the Board***		
Phil Robson	Special Advisor to the Board	
Associate Members****		
Vacant	Chair, Stakeholder Reference Group	
Vacant	Chair, Health Professionals Forum	
Vacant	Director of Social Services	
Director of Corporate Governance*****		
Rani Dash	Director of Corporate Governance	

* Absent in agreement with Chair and Welsh Government (effective 01/09/23 to 08/06/2024)

**The Director of Digital is not an Executive Post. The Director of Digital is therefore not a Board Member and attends meetings of the Board in an ex-officio capacity without voting rights.

***The Board has discretion to appoint Special Advisors to support it in achieving its responsibilities. Special Advisors are not Board Members and therefore attend meetings of the Board in an ex-officio capacity without voting rights.

****Associate Members are Members of the Board but do not hold voting rights.

***** Independent of the Board, the Director of Corporate Governance acts as the guardian of good governance within the Health Board. The Director of Corporate Governance is responsible for providing advice to the Board as a whole and to individual Board members on all aspects of governance.

The Role of the Board

The Board, chaired by Ann Lloyd CBE, has been constituted to comply with the *Local Health Board (Constitution, Membership and Procedures) (Wales) Regulations 2009* and the *Local Health Boards, NHS Trusts and Special Health Authorities (Constitution, Membership and Procedures) (Miscellaneous Amendments) (Wales) Regulations 2024*. The Board functions as a corporate decision-making body, Executive Directors and Independent Members being full and equal members and sharing corporate responsibility for all the decisions of the Board.

The Board is made up of individuals from a range of backgrounds, disciplines and areas of expertise. The Board comprises the Chair, Vice Chair and nine other Independent Members and the Chief Executive and eight Executive Directors. There are also Associate Independent Member positions, Special Advisors and other senior managers who routinely attend

Board Meetings. The full membership of the Board and their lead roles are outlined in **Attachment 1**.

The Board sits at the top of the organisation's governance and assurance systems. Its principal role is to exercise effective leadership, provide strategic direction and control. The Board is accountable for governance and internal control in the organisation and the Chief Executive as Accountable Officer, is responsible for maintaining appropriate governance structures and procedures.

In summary, the Board:

- ❖ Sets the strategic direction of the organisation within the overall policies and priorities of the Welsh Government and the NHS in Wales;
- ❖ Establishes and maintains high standards of corporate governance;
- ❖ Ensures the delivery of the aims and objectives of the organisation through effective challenge and scrutiny of performance across all areas of responsibility;
- ❖ Monitors progress against the delivery of strategic and annual objectives; and
- ❖ Ensures effective financial stewardship by effective administration and economic use of resources.

Committees of the Board

Section 3 of Aneurin Bevan University Health Board's Standing Orders provides that *"The Board may and, where directed by Welsh Government must, appoint Committees of the Health Board either to undertake specific functions on the Board's behalf or to provide advice and assurance in the exercise of its functions"*. In line with these requirements, the Health Board had in place a Committee Structure for 2024/25

The committee structure has been designed to enable an appropriate balance between strategy, delivery and performance, and culture and takes into consideration feedback from Board Members and Audit Wales in respect of Board effectiveness.

During 2024/25, the following Committees were in place:

- ❖ Audit, Risk & Assurance Committee
- ❖ Patient Quality, Safety & Outcomes Committee
- ❖ People & Culture Committee
- ❖ Finance & Performance Committee
- ❖ Partnerships, Population Health and Planning Committee
- ❖ Mental Health Act Monitoring Committee
- ❖ Remuneration and Terms of Service Committee
- ❖ Charitable Funds Committee
- ❖ Litigation Group

The Terms of Reference and Operating Arrangements, meeting agendas and papers for each of these Committees can be found on the Health Board's [website](#).

These Committees are Chaired by Independent Members of the Board. The Chair of each Committee reports regularly to the Board on the committee's activities. This contributes to the Board's assessment of risk, level of assurance and scrutiny against the delivery of objectives. In addition, and in-line with Standing Orders, each committee is required to produce an annual report.

In addition to the Board's formal meetings and formal Committee meetings, the following informal arrangements have been established to support the Board to fulfil its responsibilities:

- ❖ Board Development Sessions, held bi-monthly (6 times yearly), to focus on the development and effectiveness of the Board as a cohesive and unitary Board;
- ❖ Board Briefing Sessions, held bi-monthly (6 times yearly), to focus on key matters where informal discussion is required and to raise awareness of matters such as changes in policy or legislation.

Conducting Business with Openness and Transparency

Members of the public have been able to attend all Board meetings in person during 2024/25. In addition, the Microsoft Teams link is also published with the agenda and on social media channels to enable members of the public to observe the meeting in real time if they are unable to attend in person. All Board meetings in 2024/25 were recorded and published to the Health Board's You Tube Channel within 24 hours for public viewing.

During 2024/25, the Board's committees have continued to meet virtually and, due to capacity constraints, the Health Board has not been able to stream these in real-time for the public's viewing. Work is underway to address this in 2025/26 to ensure that the Health Board's business operates with full transparency and openness.

As the Health Board has not been able to allow the public to attend all meetings of its committees during 2024/25, the Health Board has not complied with its Standing Orders in this regard.

It is acknowledged that a hybrid approach to meetings will continue to be required in the future and the Health Board will work to ensure members of the public can attend meetings in person and/or virtually.

To ensure Board and Committee business was conducted in as open and transparent manner as possible the following actions were taken:

- ❖ All Board and Committee meeting agenda packs have been published to the Health Board's [website](#) in advance of meetings;
- ❖ Meetings of the Board have been recorded and published to the Health Board's You Tube Channel within 24 hours;
- ❖ The Health Board's Annual General Meeting in September 2024 was livestreamed, with in person attendance also permitted.

The Health Board and its Committees have sought to undertake a minimum of its business in private sessions and ensure business, wherever possible, is published in the public domain. The Committees that do not publish information publicly is either because of the confidential nature of their business, such as the Remuneration and Terms of Service (RATS) Committee, or they are informal developmental type meetings such as the Board Development Sessions discussing plans and ideas often in their formative stages.

Meetings of the Board and its Committees are formally recorded with minutes considered for approval at the next available meeting. In addition, the Director of Corporate Governance maintains Decision Logs for all decisions taken by the Board and the Executive Team.

Items considered by the Board in 2024/25

During 2024/25, the Board held 6 scheduled meetings, as well as its Annual General Meeting on 10th September 2024 and an extraordinary meeting in April 2024 to discuss proposals for the Emergency Medical Retrieval and Transfer Service.

All the meetings of the Board in 2024/25 were appropriately constituted and quorate. The key business and risk matters considered by the Board during 2024/25 are outlined below.

Further information can be obtained from the published Board meeting papers on the Health Board's website via the following [link](#).

Business Cases:

- Approved a Business Justification Case for a **Central Decontamination Unit at the Royal Gwent Hospital**
- Approved the Business Justification Case (BJC) for a **South-East Wales Radio pharmacy**
- Approved the **Urgent and Emergency Care Business Cases: The Grange University Hospital (GUH) Transfer Lounge and Increase in Emergency Department (ED) Consultant Establishment**

Plans/Strategies/Policies/Service Change

- **Approved the expansion of the Multiple Sclerosis Team** to support the implementation of Fampridine and Siponimod drugs as well as ensuring that all MS patients received an annual review.
- Approved the **proposed budget delegations** for 2024/25
- Noted progress in the implementation of the **Nursing, Midwifery and**

• Approved the Business Case for the addition of a second MRI scanner at the Grange University Hospital (GUH) • Approved the Business Case for an Electronic Prescribing Medicines Administration (EPMA) System •	SCPHN Workforce Strategy 2023-26 • Approved the Three-Year Route Map to Service and Financial Sustainability acknowledging the need for regular progress reports and further engagement to address delays in transfers of care and ensure effective resource allocation. • Received updates on the Nevill Hall Development Programme
Governance and Assurance • Received assurance in respect of arrangements for compliance with the Nurse Staffing Levels (Wales) Act. • Approved the Annual Report and Accounts 2023-24. • Approved the Charitable Funds Annual Accounts and Annual Report 2023-24 • Received the following Annual Reports: ○ Health and Safety ○ Gender Pay and Ethnicity Pay Gap ○ People Plan Annual Review ○ Welsh Language ○ Annual Quality Report • Received the Audit Wales Annual Audit Report and Structured Assessment.	• Update on Community Therapy MSK Transformation • Progress and next steps on the development of the refreshed digital, data, and technology strategies • Endorsed the approach to developing a Quality Assurance Framework for Commissioned Services • Approved the Winter Plan 2024/25 • Update on planned care performance and endorsed the deployment of additional funding received from Welsh Government to make further improvements • Development of proposals under the ReFit framework for invest to save capital funding to enhance the Health Board's estate, reduce carbon emissions and reduce costs associated with energy.
Routine Business • Ratified actions taken by the Chair, on behalf of the Board, to seal documents affixing the Health Board's Common Seal. • Considered and discussed the Health Board's financial performance and the related risks being managed by the organisation. • Considered the Board's performance against key local and national targets and the actions being taken forward to improve performance. • Considered performance against the Health Board's Quality Outcomes Framework.	• Endorsed the approach to Quality Improvement • Approved and adopted the Compassionate Leadership Pledge • Approved a 12 month extension on the temporary Stroke reconfiguration and the consolidation of services across the Hyper Acute Stroke Unit (HASU) at the Grange University Hospital and one stroke rehabilitation site at Ysbyty Ystrad Fawr (YYF) • Review of Children and Young People's Services • Received the Statutory and Mandatory Training Report and

- Received assurance reports from the Committees and Advisory Groups of the Board. - Received update reports from the Executive Team in respect of key issues locally, regionally and within NHS Wales. - Reviewed the Corporate Risk Register and sought assurance on the management of mitigating actions.	- endorsed the actions to improve compliance - Update on the NHS Wales Electronic Prescribing & Medicines Administration programme (ePMA) and the implementation across the Health Board.

Patient Experience and Public Engagement

In March 2023, the Board approved its Patient Experience & Involvement Strategy. The Strategy's goals and objectives are to improve services and their effectiveness and safety and to improve people's experiences. It encompasses the Health Board's intent to engage patients, families, carers, staff and the wider community, with a commitment to listen to feedback, learn and therefore improve healthcare across all of our services.

The Board has remained committed to hearing and learning from the experience of staff and patients. During 2024/25 the Board received patient/staff stories in respect of:

Respecting patient's wishes at end of life, improving communication with families and our bereavement offer - reflecting upon the end of life and bereavement services over the past year, with the work culminating in the production of the Bereavement collaborative report.

Hospital to Home Pilot - aims to facilitate earlier discharges for clinically optimised patients, reducing hospital bed occupancy and associated risks.

Arts Therapies - the role of arts therapies within the Health Board, particularly focusing on art, music, and drama therapies for individuals who struggle with traditional talking therapies

Children's Rights and Participation in Action - an insight into work to embed children's rights and the work of the Child and Adolescent Psychology Service

My Medical Record within the Urology Service - an insight into the adoption of the MyMedical Record (MyMr) application to support patients manage their prostate cancer.

Throughout 2024/25, **Llais, Gwent Region** attended meetings of the Board to provide an overview of recent issues of concern and positive observations or public feedback being addressed by Llais in relation to the planning and delivery of health services in Gwent.

Items considered by Committees of the Board

During 2024/25, Board Committees considered and scrutinised a range of reports and issues, in line with the matters delegated to them by the Board. These included a range of internal and external audit reports and reports

from other review and regulatory bodies, including Healthcare Inspectorate Wales.

As was the case in previous years, the Committees' consideration and analysis of such information has played a key role in the assessment of the effectiveness of internal controls, risk management arrangements and assurance mechanisms. The Committees also considered and advised on areas of local and national strategic developments and new policy areas.

An overview of the key roles and responsibilities, membership and areas considered by the Committees of the Board is provided below:

Audit, Risk and Assurance Committee		
Roles and Responsibilities	The Committee has been established to enable the scrutiny and review of matters related to audit, financial accounting, assurance, and risk management, to a level of depth and detail not possible in Board meetings. The purpose of the Committee is to support the Board and Accounting Officer by reviewing the comprehensiveness and reliability of assurances on governance, risk management, the control environment and the integrity of financial statements and the annual report. Full Terms of Reference (add Link)	
Chair	Iwan Jones, Independent Member (Finance)	6/6
Members and Attendance	Richard Clark, Independent Member	2/6
	Neil Patrick, Independent Member – from May 2024	5/5
	Dafydd Vaughan, Independent Member	5/6
Regular Executive Attendance	Rob Holcombe, Director of Finance and Procurement	6/6
No Meetings per year	6	
Items Considered	Among the key issues considered by the Committee during 2024-25, as outlined in the Committee's Work Programme, the following were also considered: • Update Report on the Clinical Audit Activity • Update Report on Consultant Job Planning • Update Report on the Implementation of the Actions from the Audit Wales Community Pharmacy Data Matching Report. • Receive Private Practice Policy. • Chairs of Audit Committees Operating Arrangements. • National KPI Template for Capital Projects. • Responses from Welsh Government on the Questions set out in the Audit Wales Community Pharmacy Data Matching Report. • Review of Audit Recommendation Tracking Process. • Reviewed the Standards of Business Conduct Policy • Review Audit Enquires to those charged with Governance and Management	

	The Committee reviewed and approved the audit strategies and plans from Audit Wales and Internal Auditors, NWSSP Audit & Assurance Services, and received audit reports produced in support of them during 2024-25. In approving the strategies and plans, the Committee ensured that they were robust and linked to the health board's risk profile. During the year the Committee received Internal Audit reports in line with the agreed programme for 2024-25, including the management response from the relevant Executive Director. Further information is available in the Audit, Risk and Assurance Committee Annual Report 2024/25 (add link)	

Patient Quality, Safety and Outcomes Committee		
Roles and Responsibilities	The scope of the Patient Quality, Safety and Outcomes Committee encompasses all areas of patient experience, quality and safety relating to patients, carers and service users, within directly provided services and commissioned services. Full Terms of Reference (add Link)	
Chair	Pippa Britton - until December 2024 Helen Sweetland, Independent Member - from December 2024	5/5 1/1
Members and Attendance	Helen Sweetland, Independent Member Paul Deneen, Independent Member Penny Jones, Independent Member Louise Wright, Independent Member – until May 2024	4/5 6/6 6/6 1/1
Regular Executive Attendance	Jennifer Winslade, Director of Nursing James Calvert, Medical Director Peter Carr, Director of Allied Health Professions and Health Science	6/6 5/6 6/6
No Meetings per year	6	
Items Considered	Among the key issues considered by the Committee during 2024-24, as outlined in the Committee's Work Programme, the following were also considered: • Regular Committee Risk Reports detailing the key risks allocated to the Committee • Covid-19 Nosocomial Investigation Report • Listening and Learning Framework • Primary Care Quality Report • Commissioning Assurance Framework • Quarterly reporting on the Performance of Patient Quality and Safety Outcomes, including: - Duty of Candour triggers - Infection Prevention and Control - Enhanced Monitoring	

	- Falls - Health, Safety and Security - Complaints, Concerns and Compliments - HIW Inspections • Annual Reports: - Pharmacy and Medicines Management - Volunteering - Hospital Transfusion Committee - Putting Things Right - Human Tissue Act - Organ Donation - Dementia Care - Falls and Bone Health Management - Health and Safety Compliance - Radiation Protection Committee - Research and Development - Infection Prevention, Decontamination, and Antimicrobial Stewardship - Safeguarding Further information is available to the Patient Quality, Safety and Outcomes Committee Annual Report 2024/25 (add link)

Partnerships, Population Health and Planning Committee		
Roles and Responsibilities	The purpose of the Partnerships, Population Health and Planning Committee is to seek assurance on: • The robustness of the Health Board's approach, systems and processes for developing strategies and plans, including those developed in partnership; • Plans and arrangements for the following matters are adequate, effective, and robust and achieving intended outcomes: Joint committee and partnership planning; Engagement and communication; and Civil Contingencies and Business Continuity; • That partnership governance and partnership working is effective and successful; and that those arrangements in place to improve population health and wellbeing are robust and effective and delivering intended outcomes. Full Terms of Reference (add Link)	
Chair	Ann Lloyd, Chair	4/4
Members and Attendance	Dafydd Vaughan, Independent Member	3/4
	Richard Clark, Independent Member	2/4
	Penny Jones, Independent Member (From 01.07.24)	3/3
Regular Executive Attendance	Hannah Evans, Director of Strategy, Planning and Partnerships	3/4
	Tracy Daszkiewicz, Director of Public Health	4/4
No Meetings per year	4	

Items Considered	Among the key issues considered by the Committee during 2024-25, as outlined in the Committee's Work Programme, the following were also considered: • An overview of the work of the Gwent Public Service Board (PSB), including the alignment of PSB priorities with that of the Marmot principles and actions. • An overview of the Health Boards Long Term Strategy Development for 'Strategy 2035'. • An update on progress of Regional Planning including the development of a regional acute clinical strategy between Aneurin Bevan, Cwm Taff Morgannwg and Cardiff & Vale University Health Boards. • An overview of meetings of the Regional Partnership Board, including discussion around topics raised as a concern. • Updates on the Health Protection and Vaccination Programme; with a focus on the distribution of a new respiratory vaccination rolled out in September 2024, and catch-up work undertaken into HPV in school aged teenagers. • Committee Risk Report • An overview of the Nevil Hall Hospital Strategic Outline Case, with emphasis on work ongoing to develop the new Nevil Hall Hospital clinical service model, including future service models around Enhanced Local General Hospital (eLGH) Further information is available in the Partnerships, Population Health and Planning Committee Annual Report 2024/25 (add link)	

People and Culture Committee		
Roles and Responsibilities	The purpose of the People and Culture Committee is to provide assurance to the Board on: • all matters relating to staff and workforce planning of the Health Board; • plans to enhance the environment that supports and values staff in order to engage the talent and nurture the leadership capability of individuals and teams working together to drive the desired culture throughout the Health Board to deliver safer better health care; • the direction and delivery of Organisational Development and other related frameworks to drive continuous improvement and to achieve the objectives of the Health Board. Full Terms of Reference (add Link)	
Chair	Louise Wright, Independent Member (TU)	3/3
Members and Attendance	Paul Deneen, Independent Member Helen Sweetland, Independent Member Penny Jones, Independent Member	3/3 3/3 1/3
Regular Executive Attendance	Sarah Simmonds, Director of Workforce and OD	3/3

No Meetings per year	3	
Items Considered	Among the key issues considered by the Committee during 2023-24, as outlined in the Committee's Work Programme, the following were also considered: • Key matters relating to Employee Relations and suspensions over 4 months. • Annual Reports: • Medical Revalidation • Job Planning including Medical E-Systems • Nursing, Midwifery and SCPHN Workforce • Progress with the implementation of the Health Board's People Plan 2022/25 • Progress in relation to Equality, Diversity and Inclusion across the Health Board • Results of the Health Board's Staff Experience Survey and the NHS Wales Survey • Compliance with the Welsh Language Standards "More than just words" • Talent Management and Succession Planning Framework • Regular review of the workforce dashboard including sickness absence, turnover and performance reviews Further information is available in the People and Culture Committee Annual Report 2024/25 (add link)	

Finance and Performance Committee		
Roles and Responsibilities	The purpose of the Finance & Performance Committee is to provide assurance to the Board on the achievement of the Board's aims and objectives as set out in its Integrated Medium-Term Plan. In doing so, the Committee will seek assurance that there is: • ongoing development of an improving performance culture which continuously strives for excellence and focuses on improvement in all aspects of the health board's business, in line with the Board's Performance Management Framework; • that arrangements for financial management and financial performance are sufficient, effective and robust; • that services are improving efficiency and productivity and financial plans are being delivered; • there is timely and appropriate access to health care services to achieve the best health outcomes within agreed targets, for directly provided and commissioned services; and • risks are suitably identified, mitigated, residual risks controlled, and corrective actions are taken as required to sustain or improve performance. Full Terms of Reference (add Link)	

Chair	Richard Clark, Independent Member	4/4
Members and Attendance	Iwan Jones, Independent Member Dafydd Vaughan, Independent Member Helen Sweetland, Independent Member Neil Patrick, Independent Member	4/4 2/4 3/4 4/4
Regular Executive Attendance	Rob Holcombe, Director of Finance and Procurement Hannah Evans, Director of Strategy, Planning and Partnerships	4/4 4/4
No Meetings per year	4	
Items Considered	Throughout 2024/25, the Committee has maintained oversight of the Health Board's escalation and intervention arrangements, including the Health Board's escalation status as set by Welsh Government (as at 31st March 2025, Health Board was in 'Targeted Intervention' for planning and finance and 'Enhanced Monitoring' for performance and outcomes related to urgent and emergency care pathways as a result of extended waits for patients in ambulances and emergency department clinical assessment at the Grange University Hospital). Among the key issues considered by the Committee during 2024-25, as outlined in the Committee's Work Programme, the following were also considered: Financial Management and Performance • Routine monitoring of the financial position of the Health Board through the provision of quarterly financial performance reports and specific focussed reports on efficiency and savings opportunities and delivery. • Value and Sustainability updates outlining the savings positions aligned to divisional reported schemes and Value and Sustainability Board theme areas • Quarterly updates on efficiency opportunities Organisational performance and management: • Digital, Data and Technology reports highlighting successful projects such as completion and installation support of Body Cam security • Information Governance and SIRO reports providing assurance on Cyber Security and Information Governance • Update on application of Health Board's Performance Management Framework, providing an overview of the Performance and Accountability Framework 6 monthly reviews for all nine operational directorates • Quarterly performance and activity reports • Overview of three impairments in relation to large capital schemes completed in 2023/24 – The Bevan Health and Wellbeing Centre, Endoscopy Unit and the Breast Unit at Ysbyty Ystrad Fawr • Estates compliance overview with a focus on risks and mitigating actions • Freedom of Information Act Performance reports Further information is available in the Finance and Performance Committee Annual Report 2024/25 (add link)	

Charitable Funds Committee		
Roles and Responsibilities	The purpose of the Charitable Funds Committee is to ensure the stewardship and effective management of funds which have been donated, bequeathed and given to the Aneurin Bevan Health Charity for charitable purposes by making and monitoring arrangements for the control and management of the Health Board's Charitable Funds. Full Terms of Reference (add Link)	
Chair	Paul Deneen, Independent Member	4/4
Members and Attendance	Neil Patrick Independent Member	4/4
	Richard Clark, Independent Member	3/4
	Nicola Prygodzicz, Chief Executive	3/4
	Robert Holcombe, Director of Finance and Procurement	4/4
No Meetings per year	4	
Items Considered	• The Committee considered and endorsed the Charitable Funds Accounts and Annual Report 2023/24 • Received the Audit Wales – Audit of Accounts Report 2022/23 • Throughout the year the Committee received the Finance report on the current financial position for each quarter, providing Members with assurance of income, total spend, donations, grant income and total losses. • The Committee approved several small grants throughout the year and received updates on projects previously agreed. • The Committee received regular updates on spending plans over £25k • The Committee received an annual update on CCLA investment funds, which included an overview of the communities the funds had been invested in. Further information is available in the Charitable Funds Committee Annual Report 2024/25 (add link)	

Mental Health Act Monitoring Committee		
Roles and Responsibilities	The purpose of the Mental Health Act Monitoring Committee is to advise and assure the Board and the Accountable Officer by critically monitoring and reviewing the way in which the Health Board discharges its functions and responsibilities under the Mental Health Act 1983 (the MH Act). It supports the Health Board in discharging its accountabilities and responsibilities for the achievement of the Health Board's objectives and organisational requirements in accordance with the standards of good governance determined for the NHS in Wales. Full Terms of Reference (add Link)	
Chair	Pippa Britton, Vice Chair (until December 2024)	1/1
Members and Attendance	Paul Deneen, Independent Member	1/1
Regular Executive Attendance	Leanne Watkins, Chief Operating Officer	1/1
No Meetings per year	4 (1 held in 2024/25, please see note below)	
Items Considered	The Committee received a quarterly report which provided assurance to the Committee on the compliance with the legislative requirements of the Mental Health Act. A Power of Discharge Sub-Committee has been established as a formal sub-committee of the MHAMC. The membership of this Committee is comprised of Associate Hospital Managers and provides advice and assurance that the processes associated with the discharge of patients from compulsory powers, used by the Sub Committee, are being performed correctly and in accordance with legal requirements. The Sub-Committee reports routinely to the Committee for assurance and developmental purposes. Note: In November 2024, the Board approved revised Terms of Reference to enable a broader focus on all aspects of the Health Board's activities in relation to mental health, learning disabilities and child and adolescent mental health services. As a result, the Mental Health Act Monitoring Committee was stood down and a Mental Health and Learning Disabilities Committee established. The first meeting of the new Committee was scheduled to take place on 9th April 2025. In the interim, the Mental Health Act Compliance Report was presented to the Patient Quality, Safety and Outcomes Committee in February 2025.	

Board Development and Briefing

Board members took part in a number of development and briefing sessions through 2024/25. Topics covered at these sessions included:

- ❖ Long Term Strategy Development
- ❖ Charity Trustee Training
- ❖ Service Development Business Cases
- ❖ Health and Safety Training
- ❖ Corporate Manslaughter Training
- ❖ Health Pathways Overview
- ❖ Estates Strategy
- ❖ Speaking Up Safely
- ❖ Social Partnership and Public Procurement (Wales) Act Training
- ❖ Cyber Security Awareness

Self Assessment and Evaluation

In line with Standing Orders, the Board is required to introduce a process of regular and rigorous self-assessment and evaluation of its own operations and performance and that of its Committees and Advisory Groups.

The purpose of regular self-review is to promote self-knowledge, reflection and vigilance, and to develop and improve leadership and governance. It helps boards identify strengths and development areas to deliver continuous improvement. High performing boards are likely to carry out some form of self-review of their leadership and governance regularly.

In order to support the ongoing development of the Health Board, the Health Board are working with the Good Governance Institute (GGI) to develop and roll out a board development programme during 2025/26.

This programme will focus on core concepts such as governance, risk, culture and effective decision-making and leadership – these are components drawn directly from the principles which underpin high performing boards and organisations and the opportunity to better understand and improve our performance in these areas will ensure a more effective board and better outcomes for patients and service users.

In addition to these core components, GGI colleagues met with each member of the Board during February/March 2025 to inform a baseline position of the Board's development programme.

The outputs of the baseline position and a discussion with board members regarding opportunities for targeted development will be held in April 2025

Committees of the Board undertook self-assessment during January 2025. In undertaking these assessments, committee members considered their composition, establishment and ways of working, the outcomes of which

informed a review of Committee Terms of Reference. The revised Terms of Reference for each Committee will be presented to the Board for approval in May 2025.

ADVISORY GROUPS AND JOINT COMMITTEES

Advisory Groups

Aneurin Bevan University Health Board's Standing Orders require the Board to establish three advisory groups. These allow the Board to seek advice from and consult with staff and key stakeholders. They are the:

- Stakeholder Reference Group;
- Local Partnership Forum; and
- Healthcare Professionals' Forum.

Information in relation to the role and terms of reference of each Advisory Group can be found in the Health Board's Standing Orders on the Health Board's [website](#).

Stakeholder Reference Group (SRG)

Aneurin Bevan University Health Board established its Stakeholder Reference Group (SRG) in 2010.

The SRG's role has been to provide independent advice on the Health Board's business, including: Early engagement and involvement in the determination of the Health Board's overall strategic direction; the provision of advice on specific service proposals prior to formal consultation; as well as feedback on the impact of the Health Board's operations on the communities it serves. The SRG should provide a forum to facilitate full engagement and active debate amongst stakeholders from across the communities served by the Health Board, with the aim of reaching and presenting a cohesive and balanced stakeholder perspective to inform the Health Board's decision making.

Since its establishment, the Health Board's engagement arrangements have evolved and continue to develop and mature. In particular, the COVID-19 pandemic required the Health Board to engage with our stakeholders and communities in new and different ways.

In view of these evolving engagement arrangements and given that the Stakeholder Reference Group last met in October 2021, a decision was taken to disband the SRG in its current form in October 2022, whilst the Health Board reviews and redesigns the role and constitution of the Group, ensuring it is fit for purpose and fully effective. A proposal for re-establishment of the SRG will be considered by the Board in 2025.

In the meantime, the Health Board continues to work alongside partners to engage and involve people who others are also seeking to engage. This enables strong partnership working, the sharing of resource and the ability to collaborate regarding joint solutions to challenges shared. Many organisations have been extremely generous in enabling our participation in their existing activities. The Health Board has previously attended:

- ❖ Local Authority Community Talk to Us Sessions, Warm Spaces and Cost of
- ❖ Living events;
- ❖ Housing Association Resident Complexes and events;
- ❖ Health & Wellbeing events and Freshers Fairs at Coleg Gwent Campuses; and
- ❖ School Parents evenings, coffee mornings and PTA events.

The Health Board is also represented at Gwent Citizens Panel, Torfaen Access Forum and works with third sector organisations, Gwent Association of Voluntary Organisations and Torfaen Voluntary Alliance.

The Health Board runs a comprehensive community engagement program that ensures communities can speak directly with Health Board staff and share their views on health services.

The Health Board is committed to working constructively in partnership with others to plan and secure the delivery of an equitable, high quality, whole system approach to health, well-being and social care for the population of Gwent. This is delivered in accordance with the Health Board's statutory duties and any specific requirements or directions made by the Welsh Ministers, which includes the development of population assessments and area plans.

Local Partnership Forum (Known as the Trade Union Partnership Forum [TUPF])

The TUPF is the formal mechanism for the Health Board and Trade Union/Professional Organisation Representatives to work together to improve health services. It is the forum where key stakeholders will engage with each other to inform, debate and seek to agree local priorities on workforce and health service issues. The TUPF is co-chaired by the Chair of Staff Representatives and the Chief Executive of the Health Board. Members are Staff Representatives (including the Independent Member for Trade Unions), the Executive Team and Chief Executive, the Director of Corporate Governance, the Assistant Directors of Workforce and OD and the Head of Workforce Governance. The Forum meets 6 times a year and the Board receives an Annual Report on the work of the Forum.

Healthcare Professionals' Forum (HPF)

The purpose of the HPF is to facilitate engagement and debate amongst the wide range of clinical interests within the Health Board's area of activity, with the aim of reaching and presenting a cohesive and balanced professional perspective to inform the Health Board's decision making.

The Health Board is currently developing its Quality Management System and as a part of this a review and design of the Healthcare Professional's Forum will be undertaken, ensuring it is fit for purpose and fully effective and does not duplicate other aspects of the Health Board's clinical engagement mechanisms. A proposal for re-establishment of the HPF will be considered by the Board in 2025.

In the absence of a formal HPF, the Board also continues to engage clinical professionals through its professional executive directors (Medical Director, Director of Nursing, Director of Therapies and Health Sciences and Director of Public Health) and existing professional management groups, such as the Clinical Directors Forum and System Leadership Group. The Board also engages with primary care providers through its cluster arrangements.

In addition, in 2024/25, the Health Board established a Clinical Advisory Forum, which is a non-executive advisory group that provides advice to the Executive Team and onwards to the Board where relevant. The Clinical Advisory Forum is a multi-professional advisory group which offers advice or recommendations on new treatments, Quality Impact Assessments and processes and services within the Health Board.

NHS Wales Joint Commissioning Committee

As set out within the Health Board's Standing Orders, during 2024/25, the Board was required to establish the NHS Wales Joint Commissioning Committee.

The [National Health Service Joint Commissioning Committee \(Wales\) Directions 2024](#) (the Directions) came into force on 7th February 2024 which provide that the Local Health Boards in Wales will work jointly to exercise functions relating to the planning and securing of services specified within the Directions or as identified by the Local Health Boards. Specifically, these are: (a) specialised services for: (i) cancer and blood disorders, (ii) cardiac conditions, (iii) mental health and vulnerable groups, (iv) neurosciences, and (v) women and children; (b) services where there is agreement between the Local Health Boards that they should be arranged on a regional and national basis; (c) emergency medical services; (d) non-emergency patient transport services; (e) emergency medical retrieval and transfer services; (f) NHS 111 services; (g) sexual assault referral centres; and (h) other services as directed by the Welsh Ministers.

The Health Board is represented on the Committee by the Chief Executive and reports of the Joint Committee's activity are regularly reported to the Board.

Further detail in respect of the Joint Commissioning Committee is available on their [website](#)

Statutory and Strategic Partnerships

Gwent Regional Partnership Board

The Gwent Regional Partnership Board (RPB) is established under Part 9 Social Services and (Wales) Wellbeing Act 2014 and the Partnership Arrangements (Wales) Regulations 2015, within which local authorities and local health boards are required to establish Regional Partnership Boards to manage and develop services to secure strategic planning and partnership working. RPBs also need to ensure effective services, and care and support is in place to best meet the needs of their respective population. The objectives of the Gwent Regional Partnership Board are to ensure the partnership bodies work effectively together to:

- ❖ Respond to the population assessment carried out in accordance with section 14 of the Act;
- ❖ Develop, publish and implement the Area Plans for each region covered as required under section 14A of the Act;
- ❖ Ensure the partnership bodies provide sufficient resources for the partnership arrangements, in accordance with their powers under section 167 of the Act; and
- ❖ Promote the establishment of pooled funds where appropriate.

Welsh Government has distributed a Health and Social Care Regional Integration Fund across Wales to the seven Regional Partnership Boards (RPBs) in Wales. The aim of the fund is to drive and enable integrated working between social services, health, housing and the third sector and independent providers to develop sustainable services.

The Regional Integration Fund (RIF) is hosted by Aneurin Bevan University Health Board on behalf of the Gwent Regional Partnership Board and is a standing agenda item on the Regional Partnership monthly meetings. All matters in relation to the RIF are discussed and approved within the partnership forum. Information is cascaded throughout the partnership structures for transparency. Where needed, the RPB accommodates special meetings to sign off RIF investment plans where meetings schedules do not align with reporting or development timeframes.

Aneurin Bevan University Health Board Members included in the membership of the Regional Partnership Board are:

- Ann Lloyd, Health Board Chair

- Nicola Prygodzicz, Chief Executive
- Tracy Daszkiewicz, Director for Public Health
- Hannah Evans, Director of Strategy, Planning & Partnerships
- Phil Robson, Special Advisor to Health Board

Further detail in respect of the Gwent RPB can be found on the RPB's [website](#).

Gwent Public Services Board

The Gwent Public Services Board (PSB) is the statutory body established by the Well-being of Future Generations (Wales) Act 2015 which brings together the public bodies in Gwent to meet the needs of Gwent citizens present and future. The aim of the group is to improve the economic, social, environmental and cultural well-being of Gwent. Working in accordance with the five ways of working, the Board has published its Well-being Assessment and Well-being Plan.

The Health Board contributes to achieving these objectives through the delivery of the Clinical Futures Strategy and the Integrated Medium-Term Plan (IMTP).

Aneurin Bevan University Health Board Members included in the membership of the Public Services Board are:

- Ann Lloyd, Health Board Chair
- Nicola Prygodzicz, Chief Executive
- Tracey Daszkiewicz, Executive Director for Public Health

Further detail in respect of the Gwent PSB can be found on the PSB's [website](#).

NHS Wales Shared Services Partnership

NHS Wales Shared Services Partnership (NWSSP) was established in November 2010 to deliver economies of scale; efficiencies and consistency of quality and process for the business and professional services that were directly managed and delivered by local NHS bodies.

As a hosted organisation, NWSSP operates under the legal framework and Establishment Order of Velindre University NHS Trust. The Managing Director is the designated Accountable Officer for Shared Services in line with The Velindre National Health Service Trust Shared Services Committee (Wales) Regulations 2012 and is accountable to the Director General/CEO of NHS Wales, Health Boards, Special Health Authorities and Trusts through the Shared Services Partnership Committee (the Partnership Committee). The Partnership Committee meets bi-monthly and is chaired by Professor Tracy Myhill OBE. The membership is comprised of representatives from each NHS organisation, including Aneurin Bevan University Health Board.

The Partnership Committee is responsible for exercising the Velindre NHS Trust's functions in relation to shared services, including the setting of policy and strategy and the management and provision of shared services to Local Health Boards, Special Health Authorities and Trusts. Several committees and advisory groups have been established to help support the governance arrangements that underpin how NWSSP operates.

Further detail in respect of NHS Wales Shared Services Partnership can be found on NWSSP's [website](#).

Partnership working with other Health Boards

The Health Board is fully committed to active collaboration where this delivers added value to clinical service delivery, access, and sustainability.

The Health Board meets on a regular basis with other Health Boards in South Wales to agree common approaches to strategic challenges, progress ongoing regional collaborative programmes, share experience / best practice and to consider future opportunities for closer working to mutual benefit.

In addition, the Health Board, Cardiff and Vale University Health Board, Cwm Taf Morgannwg University Health Board and Velindre University NHS Trust have agreed to work together on a portfolio of regional opportunities that at the time of writing includes Orthopaedics, Ophthalmology, Diagnostics, Stroke, Cancer and the development / implementation of a single regional clinical strategy for South-East Wales. A Regional Portfolio Oversight Board has been established to oversee the portfolio of work. Each Health Board / Trust is represented on this forum via its Chief Executive, Director of Planning and Chief Operating Officer.

Directed by the Cabinet Secretary for Health and Social Care, in Quarter 3 of 2025/26, Aneurin Bevan University Health Board, Cardiff and Vale University Health Board, and Cwm Taf Morgannwg University Health Board will establish a Joint Regional Committee to exercise the facilitation and oversight of regional planning to drive effective collaboration and regional working.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risks; it can therefore only provide reasonable and not absolute assurances of effectiveness.

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively

and economically. The system of internal control has been in place for the year ended 31 March 2025 and up to the date of approval of the annual report and accounts.

Capacity to Handle Risk

As Chief Executive and Accountable Officer, I hold overall responsibility for risk management and provide regular reports to the Board on its effectiveness across the Health Board. My advice to the Board is informed by executive officers and insights from the Board's Committees, particularly the Audit, Risk, and Assurance Committee and the Patient Quality, Safety, and Outcomes Committee. This ensures a well-rounded approach to risk oversight, integrating both strategic and operational perspectives.

Risk management is embedded within the Health Board's governance structure. The Executive Committee serves as a key forum for executive directors to discuss and escalate risks. This enables continuous monitoring of the organisation's risk profile and ensures that emerging risks are actively managed and reported to the Board and its Committees.

The Director of Corporate Governance leads the Health Board's risk management framework, overseeing the development of systems and processes that support a proactive and structured approach to risk identification, mitigation, and review. Responsibility for specific risks is delegated to relevant Directors, ensuring expert oversight and accountability. For example:

- Patient safety risks are managed by the Medical Director, the Director of Nursing and the Director of Allied Health Professionals and Health Science.
- Operational risks fall under the purview of the Chief Operating Officer
- Workforce-related risks are overseen by the Director of Workforce and Organisational Development.
- Digital-related risks are overseen by the Director of Digital

This structured approach ensures that risks are managed effectively at all levels of the organisation, safeguarding both service quality and organisational resilience.

Risk Management Framework

The Health Board employs a robust risk management framework, integrating systematic identification, assessment, and mitigation processes.

The current Risk Management Framework (RMF) was approved by the Board in January 2024 and as required by the Model Standing Orders, undergoes an annual review. This year's (2025) review resulted in minimal changes; however, key updates have been incorporated to ensure staff

assess the intent behind risks, whether malicious or non-malicious. This distinction determines the timeframe over which the risk's potential impact should be considered, in alignment with the National Security Risk Assessment (NSRA):

- **Malicious risks:** Assessed over a 2-year period.
- **Non-malicious risks:** Assessed over a 5-year period.

The updated Risk Management Framework was presented to the Audit Risk and Assurance Committee in April 2025 for review and feedback, prior to its submission to the Board for approval in May 2025.

The Chief Executive has overall accountability for risk management, with delegated responsibilities assigned to senior leadership teams and operational managers as appropriate. Staff are equipped with risk management training tailored to their roles, ensuring that decision-making aligns with the Board's risk appetite. This includes:

- Comprehensive induction training on risk awareness for new employees.
- Ongoing professional development in risk assessment methodologies.
- Periodic risk scenario exercises and workshops to enhance preparedness for Major Incidents and Business Continuity Incidents.

Risk Profile, Strategic Risk and Assurance Register

The Board maintains an integrated risk management approach by linking risk assessment to the Integrated Medium-Term Plan (IMTP). This provides a structured mechanism for monitoring high-impact risks and ensure that mitigation strategies are aligned with strategic objectives.

Significant risk areas identified during the reporting year include:

- Operational resilience amid external pressures, such as increased demand for healthcare services in response to workforce shortages and recruitment challenges.
- Cybersecurity threats, due to dated systems posing operational vulnerabilities, staff vigilance of potential cyber threats.
- Financial pressures, due to increase in costs and limitations impacting delivery of efficiency savings.
- Compliance with meeting national environmental goals within its regulatory responsibilities.

Each identified risk is assigned a designated risk owner, ensuring accountability and oversight at the appropriate governance level.

The Director of Corporate Governance submits a comprehensive Strategic Risk Report at every Board meeting, along with tailored reports for each Board Committee. These Committee reports include in-depth risk assessments specific to the areas for which each Committee is responsible, in line with its Terms of Reference.

To promote transparency and accountability, the Strategic Risk Report is published in the public domain. This ensures openness around the key strategic risks identified by the Health Board as potential obstacles to achieving its strategic priorities.

As of the end of March 2025, the Strategic Risk Register contained **Nine** active principal risks with **21** (threats) sub-risks. These represent the most significant threats to the successful delivery of the Health Board's strategic objectives. Each risk is evaluated and categorised according to its likelihood of occurrence and potential impact, as outlined below.

Risk Level & Score	Number of Risks	Number of Risks outside of Appetite
Extreme (15 – 25)	8	1
High (9 – 12)	9	4
Moderate (5 – 8)	4	-
Low (1 – 4)	-	-

The highest risk included on the Strategic Risk Register has a score of **16** (L4 x I4) and is owned by the Director of Finance and Procurement (SRR 001G) and is concerned with safeguarding the financial sustainability of the Health Board.

The infographic below depicts the Health Board's current risk exposure to the 21 strategic sub-risks, demonstrating that the majority of the strategic risks are concentrated in the central line of the risk matrix indicating a high level of risk exposure.

Risk Scoring Matrix					
Likelihood	Impact				
	1. Negligible	2. Minor	3. Moderate	4. Major	5. Catastrophic
5. Almost Certain (>75%)					

4. Likely (41-75%)				1 x (Extreme) SRR 001G	
3. Possible (11-40%)			1 x (High) SRR 007 B	13 x (High) SRR 001 A - D, F, *I, *SRR 002 B *SRR 004 B, SRR 005 A SRR 006 A, B, C *SRR 010	2 x (Extreme) *SRR 002A SRR 011A
2. Unlikely (1-10%)				4 x (Moderate) SRR 001 E SRR 004 A SRR 007 A SRR 008 A	
1. Rare (<1%)					

A copy of the latest Strategic Risk Report, presented to the Board in May 2025, is available [ADD LINK](#). The risks contained within this report have undergone thorough scrutiny, challenge, and review by the designated Executive Risk Owners. In addition, a robust assessment of the Health Board's internal control systems has been completed, alongside an evaluation of all sources of assurance related to each risk.

Ongoing work is being undertaken to strengthen assurance over risks currently operating outside the Board's defined risk appetite. This includes conducting targeted deep dives into these risks and developing action plans to enhance control measures and reduce the likelihood and/or impact of adverse events.

Recent enhancements to the risk assessment template, along with the implementation of a risk dashboard, have significantly improved the Board's visibility of how current risk profiles align with its strategic objectives and the Board's appetite for risk in achieving them. The revised reporting format used for both Committees and the full Board offers a high-level summary of the risks under their oversight, clearly indicating:

- Whether each risk is being managed within the agreed risk appetite
- Where risks are outside of appetite, whether appropriate mitigation plans are in place to address them

While progress has been made, the Board acknowledges that further work is needed to enhance both risk control and assurance mechanisms across the full spectrum of strategic risks.

Accordingly, a high-level summary of the overall assurance level the Board can draw from this iteration of the Strategic Risk Report is provided below:

Overall Assurance on the Management of Risk		
Nil	Satisfactory	Considerable
	X	

As a result, the Board can take a satisfactory level of assurance that the strategic risks recorded on the Strategic Risk Register (as at May 2025) which reflect the most significant threats to the delivery of the IMTP are being effectively managed.

Furthermore, the internal control systems in place to manage these risks are assessed as satisfactory.

Risk Appetite Determination

The Health Board establishes its risk appetite through a structured assessment process, balancing the need for innovation with patient safety, financial sustainability, and regulatory compliance. The Health Board's Risk appetite was approved by the Board in January 2024 through strategic discussions that consider operational challenges, stakeholder expectations, and emerging trends.

The Board ensures a proportionate approach to risk-taking, allowing for flexibility where necessary while maintaining strict controls in critical areas such as patient care, clinical safety, and financial governance.

The table below summarises the Health Board's position on its appetite for risk and the level of tolerance it is willing to accept. The full Risk Appetite Statement is available [here](#).

RISK APPETITE	Risk Theme	Risk Appetite Level	Risk Appetite Description	Risk Appetite Thresholds
	Aneurin Bevan University Health Board Activities (Compliance & Safety)	Minimal	Ultra-safe leading to only minimum risk exposure as far as practicably possible: a negligible/low likelihood of occurrence of the risk after application of controls	Score 8 and below
	Aneurin Bevan University Health Board Activities (Service Delivery)	Open	Willing to consider all potential options, subject to continued application and/or establishment of controls: recognising	Score 17 and below

	People	Open	that there could be a high-risk exposure	
	Transformation and Partnership working	Open		
	Financial Sustainability	Cautious	Preference for safe, though accept there will be some risk exposure: medium likelihood of occurrence of the risk after application of controls	Score 13 and below
	Confidence and Trust	Cautious		

Strategic Risks Outside of the Health Board's Defined Threshold as at 31st March 2025

All five strategic risks outlined below exceed the Health Board's defined threshold and fall under the category of Safety and Compliance, a domain in which the Health Board has a minimal risk appetite, with a threshold set at a score of 8 or lower. These risks are currently being managed using the 5T's risk control framework: Tolerate, Treat, Transfer, Terminate, or Take the opportunity. This structured approach ensures each risk is assessed and addressed with appropriate action in line with the Board's governance and safety priorities.

Risk ID	Sub Risk Description	Current Score	Treatment of the Risks
SRR 001I	Due to a failure to implement the required performance improvements in some areas of the organisation in line with the Health Board's Performance Management Framework domains of Quality and Safety, Operational Delivery, and Finance.	12	Treat the residual risk, but also Take the Opportunity to redesign and strengthen services for long-term sustainability.
SRR 002A	Due to the presence of Reinforced Autoclaved Aeriated Concrete (RAAC) within structures	15	Tolerate the risk until it can be Terminated .
SRR 002B	Due to significant levels of backlog maintenance and structural impairment.	12	TREAT the risk through proactive estate investment and maintenance planning.
SRR 004B	Due to ineffective and insufficient arrangements across all service areas to respond to a Business Continuity or Critical Incident	12	TREAT the risk by developing, standardising, and testing effective Business Continuity and Critical Incident Response Plans.
SRR 010	Due to inadequate and ineffective systems, processes, governance, and assurance arrangements in place to implement, embed and monitor the Health Board's compliance with the Act's requirements, specifically, Manual Handling, RIDDOR Reporting, Fire Safety Risk Assessments, and Work-based Risk Assessments.	12	Treat the residual risk, but also Take the Opportunity to improve staff safety culture.

Risk & Assurance Related Internal Audit Reviews

The Board's Internal Audit Work Plan is developed with careful consideration of the key risks that could impact the achievement of the Health Board's strategic and operational objectives, as well as its long-term sustainability. Any risks identified through the audit process are reviewed by the Head of Corporate Risk and Assurance to determine whether they should be incorporated into the appropriate risk register strategic, corporate, or operational to ensure they are subject to effective monitoring and management

The Audit, Risk and Assurance Committee received one risk management audit with a reasonable assurance rating from the 2024/25 Internal Audit Plan. The review assessed whether the governance arrangements in place within the Primary Care and Community (PCC) Division ensure key risks and matters arising were escalated and managed effectively.

The report issued in April 2025 concluded that divisional management demonstrated effective risk escalation processes, supported by current policies and procedures. Clear guidance was provided on identifying and escalating key risks, with appropriate use of judgement. Risks were well-documented, tracked, and escalated to the relevant governance bodies with feedback recorded and acted upon in a timely manner.

Overall assurance levels were rated as **Substantial to Reasonable** with four medium recommendations for action.

Public and Stakeholder Involvement in Risk Management

Public stakeholders play a crucial role in shaping risk management strategies. Engagement mechanisms include:

- Public consultations to gather community perspectives on service delivery risks.
- Collaboration with patient advocacy groups such as Llais to address concerns related to clinical and operational risks.
- Partnerships with external agencies, including regulatory bodies, emergency services, and local authorities, ensuring a coordinated response to shared risks.

These collaborative efforts have strengthened the Board's ability to anticipate and respond to risks effectively, fostering transparency and public trust.

Addressing Weaknesses in the Risk Environment

Where weaknesses in the risk environment have been identified, the Health Board has taken decisive actions to strengthen controls. Measures include:

- Enhanced governance processes, ensuring clearer oversight of risk mitigation efforts.
- Investment in digital transformation, reducing reliance on outdated systems that pose operational vulnerabilities.
- Strengthened audit and assurance mechanisms, providing greater scrutiny and accountability in high-risk areas.

By adopting these measures, the Health Board ensures continuous improvement in risk management, supporting the delivery of high-quality, safe, and sustainable healthcare services.

Emergency Planning

In accordance with the statutory duties of the Civil Contingencies Act (2004) and Emergency Planning Guidance issued by Welsh Government the Health Board have in place emergency plans, business continuity arrangements, health protection response plans and supporting documents. These plans were considered by the Board's Partnerships, Population Health and Planning Committee in July 2024.

The Major Incident Plan was Exercised fully in June 2024 with lessons identified through debrief processes and there is ongoing refinement to departmental plans and action cards. There has additionally, in accordance with the Act, been collaborative planning and exercising with Local Resilience Forum partners throughout the year aligned to the LRF Risk Register, and shared and collaborative response to incidents.

THE CONTROL FRAMEWORK

Patient Safety, Quality, Experience and Learning

As an NHS Wales organisation, there are clear expectations set out for the quality standards we must maintain as set out through the:

- ❖ Health and Social Care (Quality and Engagement) (Wales) Act 2020, including the Health and Care Standards;
- ❖ A Healthier Wales;
- ❖ Core Commissioning Requirements.

In 2023 the Health Board published and implemented the Quality Strategy and the Patient Experience and Involvement Strategy [\(add links\)](#). These strategies are shaped by the experiences of patients, families, carers, staff, and communities, focusing on improvement, planning, and assurance where it matters most. They align with the Duty of Quality objectives, Health and Care Standards and support our responsibilities under the Duty of Candour. Both Strategies set out the Health Board's goals to enhance clinical effectiveness, safety, and service user experience. They reflect our

commitment to meaningful engagement, listening to feedback, learning from it, and driving improvement across all services.

The Health Board has made several notable achievements in relation to the Quality Strategy, particularly focusing on **insight, involvement and improvement**. These include:

- ❖ Development of the Quality Management System which sets out the Assurance Framework to enable the delivery of safe high-quality care.
- ❖ Improved understanding of patient safety by drawing insights from multiple sources of patient safety information, including incident reports, medical examiners' reviews, and patient feedback. This comprehensive data collection has enabled more informed decision-making and targeted interventions.
- ❖ Implementation of data analytics has allowed the Health Board to monitor performance effectively. For example, there is now an ability to track and report on various quality metrics, ensuring continuous improvement in service delivery. This includes implementation and refining of a Quality Outcomes Framework (QOF) to systematically measure and enhance healthcare quality.
- ❖ Introduction of the CIVICA Citizen Feedback System which has significantly increased the volume of feedback from patients and staff. This system has facilitated the collection of valuable insights, which are used to make informed changes and improvements.
- ❖ Prioritised person-centred care by involving patients, relatives, carers, and system partners in the planning and delivery of care. This approach has led to an overall satisfaction score of 88%, which is above the benchmark of 85%.
- ❖ Promoted a culture of openness and transparency, by encouraging staff to report incidents and concerns without fear of blame. This has fostered a supportive environment where continuous learning and improvement are prioritised.
- ❖ Established several quality improvement programmes, including those within the Safe Care Collaborative, which focuses on key safety priorities. These programs provide structured support for teams to implement changes, leading to effective and sustainable improvements.
- ❖ Developed continuous learning and development by providing structured training programs, learning from feedback and incidents, direct coaching, and support for improvement initiatives. This has

ensured that staff have the necessary skills and opportunities to drive effective change.

- ❖ Promoted a whole systems approach to quality, encouraging collaboration across different departments and services. This integrated approach has ensured that improvements are sustainable and have a broad impact on patient care.

Clinical Audit Programme

The Health Board's Annual Clinical Audit Plan is developed and updated each year which provides timelines of audit publications for the year ahead. The Health Board actively participates in the National Clinical Audit Programme. By using its findings, the Health Board benchmarks the quality of care provided and identify areas for focused improvement. Each national audit offers valuable insights into strengths and areas for development. These insights are discussed by the Clinical Standards and Effectiveness Group and reported to the Board's Patient Quality, Safety, and Outcomes Committee, ensuring clear oversight and accountability. These can be seen in our Annual Audit report. Actions for improvement arising from Clinical Audit are recorded on the Health Board's Audit Management and Tracking (AMaT) system.

Information Governance

Information is a critical asset, essential for both the clinical management of individual patients and the efficient management of services and resources. Information Governance (IG) involves establishing high standards for handling this information and equipping the organisation with the necessary tools to achieve these standards.

The Health Board has designated several key roles with specific responsibilities related to the information it holds, uses, and shares. The Medical Director serves as the Caldicott Guardian, the Director of Digital is the Senior Information Risk Owner (SIRO), and the Head of Information Governance is the Data Protection Officer (DPO).

Throughout 2024/2025, the Health Board continued to enhance its forums to address information governance requirements consistently. These forums facilitate processes and communications to ensure compliance with Data Protection obligations. Dashboards are produced to support and assist in training compliance, complaint handling, incident, and breach management. Annual reports detailing progress are disseminated to relevant divisions and boards.

At the request of the DPO, the organisation underwent a consensual audit by the Information Commissioner's Office (ICO), focusing on Information Security, Requests for Access and Information Risk Management. The audit resulted in a "Reasonable score" for each aspect. Following a subsequent

review, the ICO deemed the audit engagement complete after evaluating the actions taken in response to their recommendations.

The Senior Information Risk Owner (SIRO) report was published which provided an overview of the organisation's information governance activities and performance. It informs senior management about the organisations efforts in managing information risks and ensuring compliance with relevant regulations.

The Wales Accord on the Sharing of Personal Information (WASPI) framework is firmly embedded in the Health Board's practices for sharing relevant information with partner organizations.

In 2024/2025, there was a 12.5% increase in the number of Subject Access Requests (SARs), rising from 6,724 in 2023/2024 to 7,568 in 2024/2025. There was also a 4% increase in IG incidents reported by staff, from 531 incidents in 2023/2024 to 555 incidents in 2024/2025.

There were 11 complaints made to the Information Commissioner's Office (ICO), with 9 not upheld and 2 pending a final outcome at the time of writing.

In 2024/2025, the Health Board reported no serious lapses in data security to the ICO.

Quality of Data

The Health Board makes every attempt to ensure the quality and robustness of its data and has regular checks in place to assure the accuracy of information relied upon. However, it is recognised that the multiplicity of systems and data inputters across the organisation means that there is always the potential for variations in quality, and therefore always scope for improvement. We have an on-going data quality improvement approach which routinely assesses the quality of our data across key clinical systems. Good quality clinically coded data plays a fundamental role in the management of hospitals and services. Coded data underpins much of the day to day management information used within the NHS and is used to support healthcare planning, resource allocation, cost analysis, assessments of treatment effectiveness and can be an invaluable starting point for many clinical audits.

The Board relies upon independent and objective assurances, such as those provided by auditors and inspectors, to comment upon the effectiveness of the Board's assurance system. This assurance system includes reporting on financial performance, operational performance and quality of and associated outcomes.

The Corporate Governance Code

The Corporate Governance Code currently relevant to NHS bodies is 'The corporate governance in central government departments: code of good practice' (published 21 April 2017). The Health Board, like other NHS Wales organisations, is not required to comply with all elements of the Code, however, the main principles of the Code stand as they are relevant to all public sector bodies. The Corporate Governance code is reflected within key policies and procedures. Further, within our system of internal control, there are a range of mechanisms in place that are designed to monitor our compliance with the Code. These include Self-assessment; Internal and External Audit; and Independent Reviews.

The Board is clear that it is complying with the main principles of the Code and is conducting its business openly and in line with the Code, and that there were no departures from the Code as it applies to NHS bodies in Wales. A copy of the current self-assessment against the code is provided as **Attachment Three**.

Planning Arrangements

The Health Board's Annual Plan: Three Year Intent 2024/25 ("The Plan"), together with supporting templates and appendices, was approved by the Board in its meeting on the 27th of March 2024. The submission recognised the significant challenges and risks going forward and the financial context within which the Health Board is operating to deliver the plan. The Duties of Quality and of Candour and a refocusing of the Health Board's ambition with respect to prevention were at the forefront of the Annual Plan, alongside the need to drive-efficient and effective in year service delivery.

The Plan outlined an end of year outturn of a £48.9m deficit, notwithstanding a significant savings programme and a high-level line of sight towards a balanced position within three years.

Following correspondence from Welsh Government, the Health Board updated its Annual Plan for 2024/25 and re-submitted this by 31st May 2025.

On 26th July 2025, the Health Board received correspondence from Welsh Government which confirmed that the Health Board had been unable to submit a balanced integrated medium-term plan (IMTP) for 2024-27 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. The Health Board's Annual Plan with a forecast deficit was noted by Welsh Government alongside a number of accountability conditions issued:

- Ensure delivery of performance in line with expectations;

- Continue to review and take action to reduce the deficit and maximise your savings plan in year and deliver on the escalation framework and de-escalation requirements;
- Continue to adopt the Value and Sustainability Board programme, maximise opportunities for efficiency and productivity;
- Progress regional solutions, working collaboratively with partners; and
- Agree LTAs with other organisations, working collaboratively to avoid arbitration.

Throughout the year the Board and its Finance and Performance Committee has maintained a focus on overseeing delivery of the commitments set out by the Health Board within the Annual Plan for 2024/25.

MANDATORY DISCLOSURE STATEMENTS

Equality, Diversity & Human Rights

It is a key priority for the Health Board to become a truly inclusive organisation which celebrates its diverse workforce, and where staff feel they are treated equally regardless of their ethnic background, gender, religion, sexual orientation, disability or age.

The Health Board published its [Strategic Equality Action Plan for 2024 – 2028](#) in March 2024, in line with the Public Sector Equality Duty (2011), demonstrating its commitment to advancing Equality, Diversity, and Inclusion (EDI) and fulfilling its statutory responsibilities under the Equality Act (2010) and the Human Rights Act (1998). The Strategic Equality Plan Update published in March 2025 highlights progress made in embedding equitable, inclusive, and person-centered approaches across the organisation in Year 1 of the new plan.

The key achievements in Year 1 of our Strategic Equality Plan demonstrates the Health Board's ongoing dedication to fostering an inclusive and equitable workplace and healthcare environment. EDI and Human Rights remain key executive and board-level priorities, with a continued focus on monitoring, measuring, and driving sustainable progress in addressing health and workplace inequalities.

The Health Board has a statutory duty to publish the organisation's Gender Pay Gap data annually based on snapshot as at the 31st March each year with a reporting deadline of the 30th March of the following year. The Health Board submitted its data as at the 31st March 2024 on time and by the 30th March 2025.

The Health Board has seen a decrease in the Pay Gap percentage for average hourly rates from 25.37% in March 2023 to 24.71% in March 2024

which is a move in the right direction. The average hourly rate remains static at 9.56% in March 2023 and 9.68% in March 2024.

In addition to our annual reporting cycle, governance arrangements for ED&I ensure the Board and its People and Culture Committee receives regular assurance that the Health Board is meeting its Public Sector Equality Duty (PSED) requirements.

Pensions Scheme

I can confirm that as an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employer obligations contained within the Scheme regulations are complied with. This includes ensuring that deductions from salary, employers' contributions and payments into the Scheme are in accordance with Scheme rules and that the member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations. Further detail in this regard is included within the provisions note within the 2023/24 Financial Statements (Note 20).

Carbon Reduction Delivery Plans

The Health Board is able to confirm compliance with the following statement:

"The organisation has undertaken risk assessment and Carbon Reduction Delivery Plans are in place in accordance with emergency preparedness and civil contingency requirements as based on UKCIP 2009 weather projections to ensure that the organisation's obligation under the Climate Change Act and the Adaptation Reporting requirements are complied with."

The organisation has completed the initial presentation on Adaptation by Welsh Government on the 2nd May 2025 and are now completing the planned adaptation tool kit in readiness for submission to the Welsh Government in December 2025. Public Health Wales are helping to co-ordinate the upcoming literacy sessions through the summer 2025 and we have started to share best practice in the approach of the adaptation process with our local councils.

Counter Fraud, anti-corruption and anti-bribery matters.

Aneurin Bevan University Health Board is committed to reducing the level of fraud, bribery and corruption within the NHS to an absolute minimum and keeping it at that level, freeing up public resources for better patient care.

The Health Board's Counter Fraud Team undertake proactive/preventative work with the intention of safeguarding the organisation from economic crime. Further information on the valuable work undertaken is available in the Counter Fraud Annual Report 2024/25 [ADD LINK](#)

Ministerial Directions & Welsh Health Circulars

The Welsh Government has previously issued Non-Statutory Instruments and reintroduced Welsh Health Circulars (WHCs) in 2014/15. Details of these and a record of any ministerial directions given is available on the Welsh Government website. A full detail of the WHCs and Ministerial Directions issued to the Health Board in 2024/25 and the Health Board's responding action is included at **Attachment 2**.

There was one Ministerial Direction issued in December 2019, to address the operational challenges arising as a consequence of pension tax arrangements. Further detail in this regard is included in provisions within the 2023/24 Financial Statements (Note 20).

Modern Slavery Act 2015 – Transparency in Supply Chains

The Health Board is fully committed to the Welsh Government Code of Practice Ethical Employment in Supply Chains. This has been established by the Welsh Government to support the development of more ethical supply chains to deliver contracts for the Welsh public sector and third sector organisations in receipt of public funds.

NHS Wales Shared Services Partnership (NWSSP) Procurement Services, on behalf of the Health Board, commits to ensure that any parts of our supply chain comply with all elements of the code of practice including:

- Modern slavery & human rights abuses;
- Blacklisting;
- False self-employment;
- Unfair use of umbrella schemes and false self-employment; and
- Paying the living wage.

NWSSP Procurement Services has:

- Embedded the Code of Practice in standard operating procedures, including terms and conditions of contract;
- Provided training to those involved in buying/procurement on modern slavery and ethical employment practices, through various training mediums;
- Aligned the Code of Practice within our broader Sustainable Procurement Code of Practice;
- Developed standard questions that ensure ethical employment practices are considered as part of the procurement process;
- Became a signatory to the Transparency in Supply Chains (TISC) register, and published the NWSSP Ethical Employment Statement; and
- Encouraged our suppliers sign up to the TISC register, and publish their own modern slavery/ethical employment policies and statements;
- Engaged with wider NHS Scotland, NHS Northern Ireland and NHS England colleagues to continue to develop and share best practice.

NWSSP Procurement Services will continue to:

- Conduct appropriate and targeted engagement with our bidders, to ensure that the way in which we work does not contribute to the use of illegal or unethical employment practices within the supply chain;
- Maintain and share knowledge of ethical employment issues and themes, ensuring continuing support of fair and decent work;
- Leverage our tender processes to encourage our suppliers to sign up to the commitments of Ethical Employment in Supply Chains Code of Practice and also to the TISC register, to publicise their commitments and their Modern Slavery/Ethical Employment Statements;
- Assess our expenditure to identify areas of high risk, and continue to address any issues of modern slavery, human rights abuses and/or unethical employment practice.

The NWSSP Ethical Employment statement and more information can be found on the NWSSP [Website](#)

REVIEW OF EFFECTIVENESS OF SYSTEM OF INTERNAL CONTROL

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the system of internal control is informed by the work of the internal auditors, and the executive officers within the organisation who have responsibility for the development and maintenance of the internal control framework, and comments made by external auditors in their audit letter and other reports.

The Board has adopted a structured approach to risk management, whereby risks are identified, assessed and controlled, and if appropriate, escalated or de-escalated through the governance mechanisms of the organisation.

During 2024/25, the Board's Audit, Risk and Assurance Committee and, Patient Quality, Safety and Outcomes Committee played a key role in monitoring the effectiveness of internal control and the process for risk management. During 2024/25 work has continued to embed the Risk Management Framework approved by the Board in January 2024. The Board's Quality Strategy, approved in March 2023 and updated in February 2024, will ensure that the work of all regulators, inspectors and assurance bodies is mapped and evidenced in our assurance framework so that the Board is fully aware of this activity and the level of assurance it provides. We will also continue to strengthen arrangements for monitoring and reporting progress in implementing recommendations arising from the work of auditors.

The Health Board also uses reports from Healthcare Inspectorate Wales, the Welsh Risk Pool and other inspectorates and regulatory bodies to inform the governance and assurance approaches established by the organisation.

A tracking mechanism for these recommendations is also in place and progress in delivering these recommendations is overseen by the Patient Quality, Safety and Outcomes Committee via updates in respect of Inspections.

INTERNAL AUDIT

Internal audit provides the Chief Executive/Accountable Officer and the Board, via the Audit, Risk and Assurance Committee with a flow of assurance on the system of internal control. I have commissioned a programme of audit work which has been delivered in accordance with public sector internal audit standards by the NHS Wales Shared Services Partnership. The scope of this work is agreed with the Audit, Risk and Assurance Committee and is focussed on significant risk areas and local improvement priorities.

The overall opinion by the Head of Internal Audit on governance, risk management and control, is a function of this risk-based audit programme and contributes to the picture of assurance available to the Board in reviewing effectiveness and supporting our drive for continuous improvement.

The Head of Internal Audit is satisfied that there has been sufficient internal audit coverage during the reporting period in order to provide the Head of Internal Audit Annual Opinion. In forming the Opinion, the Head of Internal Audit has considered the impact of the audits that have not been fully completed.

The assurance sections that follow provide a brief summary of the scope of the Internal Audit Reviews that have been completed and received by the Committee during the financial year 2024-25.

Substantial Assurance

In the following review areas, it was reported that the Board could take **substantial assurance** that arrangements to secure governance, risk management and internal control are suitably designed and applied effectively. The few matters that required attention were compliance or advisory in nature with low impact on residual risk exposure.

Unified Breast Unit at Ysbyty Ystrad Fawr (2023/24)

The audit sought to review the management arrangements in place to progress the Ysbyty Ystrad Fawr Unified Breast Unit – in the period after the prior audit which was completed in December 2022.

Financial Controls (2023/24)

This internal audit was undertaken to provide an opinion over the effectiveness of the Health Board's treasury financial controls.

Early Supported Discharge – Stroke (2023/24)

During September 2022, a GIRFT (Getting It Right First Time) report was published, following the completion of a review of stroke services that was requested by Aneurin Bevan University Health Board (the 'Health Board'). A range of recommendations were raised, but this audit focusses on the implementation of the early supported discharge (ESD) pathway. The overall objective of the audit was to assess whether the arrangements in place for the early supported discharge of stroke patients are operating effectively.

Maternity Action Plan (2023/24)

The Purpose of the audit was to review the governance arrangements in place and examine the tracking and progress of maternity related actions from key recent external reviews.

Declarations of Interest (2024/25)

The purpose of this audit was to review the arrangements for registering and managing potential conflicts cause by the receipt of gifts, hospitality and external interests.

Reasonable Assurance

In the following review areas, it was reported that the Board could take **reasonable assurance** that arrangements to secure governance, risk management and internal control are suitably designed and applied effectively.

Some matters required management attention in either control design or operational compliance and these had low to moderate impact on residual risk exposure until resolved.

Reports included within the 2023/24 Internal Audit Plan, and reported in the Annual Governance Statement 2023/24, reported to the Audit, Risk and Assurance Committee in 2024/25:

Asset Management (2023/24)

This internal audit has been undertaken to provide an opinion over the effectiveness of the Health Board's processes to create and maintain accurate and up-to-date records of its equipment assets.

Risk Management and Assurance (2023/24)

The audit sought to access on the effectiveness of the risk management and assurance arrangements in pace within the Health Board in order to ensure that strategic objectives are received.

Long-Term Sickness Absence Management (2023/24)

The purpose of the audit was to review the compliance with the NHS Wales Managing Absence at Work Policy. This was not an audit on the number of sickness absence episodes but whether the Health Board is acting promptly and managing the interests of all parties within the process of managing long term sickness

absence.

Savings Programmes (2023/24)

The overall objective of the audit is to provide assurance that the Health Boards savings programmes are specific, realistic and measurable and that monitoring arrangements are effective. This audit did not assess the overall 2023/24 deficit position, including additional cost pressures/funding allocation received, but rather focussed on the delivery and management of savings programmes.

Medical Equipment and Devices (2023/24)

This internal audit has been undertaken to provide an opinion over the management and tracking of ultrasound devices throughout the Health Board.

Waiting List Management (2023/24)

To establish whether all patients on the waiting list have been assessed and assigned an appropriate priority rating in line with the Royal College of Surgeons guidance and that suitable arrangements are in place to communicate and support those patients, where applicable, at Aneurin Bevan University Health Board (

Directorate Review – Theatre Stock (2023/24)

This internal audit was undertaken to provide an opinion over the effectiveness of the Health Board's processes to manage and monitor theatre stock.

Intra-site Patient Transfers (2023/24)

This internal audit was undertaken to provide an opinion over the management of intra-site patient transfers within Aneurin Bevan University Health Board (the 'Health Board').

LINC Programme (2023/24)

To review the arrangements in place for the mitigation of risk associated with the non or late delivery of the LINC programme of work.

NHH Satellite Radiotherapy (2023/24)

The audit was undertaken to review the delivery and management arrangements in place to progress the development of a Regional Radiotherapy Satellite Centre (RSC) at Nevill Hall Hospital, and the performance to date against its key delivery objectives i.e. time, cost, and quality. This was the second audit of the RSC project.

Reports included within the 2024/25 Internal Audit Plan:

IMTP – Service Delivery Plans (2024/25)

This internal audit was undertaken to provide an opinion over the controls to ensure the delivery of IMPT/ Strategic Objectives.

Facilities Stock (2024/25)

A dedicated follow-up review over the implementation progress of the Facilities stock recommendations raised within the 2023/24 audit.

End of Life Care (2024/25)

To determine if care arrangements for end-of-life care (EoL) patients are planned sufficiently in advance to enable their care to be provided in the community and to avoid unnecessary hospital admission.

Providing Care to Asylum Seekers and Refugees (2024/25)

To provide an opinion over the arrangements in place within Aneurin Bevan University Health Board for providing care to asylum seekers and refugees, including that applicable guidance is being adhered to.

Intelligence Led Organisation (2024/25)

To evaluate and determine the processes in place to deliver information products to staff and maximise the use of analytics in an appropriate and secure manner.

Nevill Hall RAAC (2024/25)

Reinforced Autoclaves Aerated Concrete (RAAC) is a form of lightweight concrete used in construction in many buildings between the 1950s and 1990s and has only recently been identified as posing a significant risk to the structural integrity of buildings. The audit sought to evaluate the arrangements in place to manage/mitigate the risks associated with the presence of RAAC found within Nevill Hall Hospital (NHH).

Estates Assurance – Energy Management (2024/25)

Noting rising costs of energy, effective management and control of energy costs has been risk assessed as an area of potential benefit for audit.

Newport East HWBC (2024/25)

The audit was undertaken to review the delivery and management arrangements in place to progress the Newport East Health and Wellbeing Centre project, and the performance to date against its key delivery objectives. This was the second audit of the project and covered the period from the last review in January 2023 to April 2024.

Limited Assurance

In the following review areas, it was reported that the Board could take **only limited assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, were suitably designed and applied effectively.

More significant matters required management attention with moderate impact on residual risk exposure until resolved.

The Management response and action plan to respond to the issues and weaknesses identified, which form part of the final reports, are considered by the Audit, Risk and Assurance Committee. The Committee monitor progress in line with agreed timescales via the Audit Recommendations Tracker.

In addition for all limited assurance rated reports, executive leads attend the Audit, Risk and Assurance Committee to provide assurance on the actions identified.

Reports included within the 2023/24 Internal Audit Plan, and reported in the Annual Governance Statement 2023/24, reported to the Audit, Risk and Assurance Committee in 2024/25:

Bevan Health and Wellbeing Centre (2023-24)

The audit sought to review the delivery and management arrangements in place to progress the Bevan Health & Wellbeing Centre.

The audit recognised the significant delays to the delivery of the project (currently circa 49.6 weeks) which are attributed to the Supply Chain Partner (SCP) and the corresponding delay in achieving the anticipated business case objectives.

The project faces significant challenges going forward as the contractor is likely to be operating at a loss – accordingly, maintaining reasonable performance from the SCP through existing project management tools will be essential through to completion and handover

A management action plan is in place to respond to the recommendations.

Financial Controls – RPB (2023-24)

This review tested the compliance with the Model Standing Orders Reservation and Delegation of Power / Standing Financial Instructions (SFIs) / Financial Control Procedures (FCPs) of the Health Board, regarding Regional Partnership Board (RPB) payments made on behalf of the RPB, by the Health Board.

The audit found that the financial framework, for the management of RPB activities is, in principle, aligned to the Health Board's approach to ordering, receipting and payments of purchases. However, a lack of a documented record of roles and responsibilities throughout that process, specific to the RPB, was noted.

In addition, detailed sampling of payment transactions identified examples of compliance issues with the FCPs and SFIs, partly due to the non-standard nature of the funding transactions, and opportunities for operational effectiveness to be improved.

Decarbonisation (2023-24)

This audit was undertaken to determine if the Health Board was adhering to the Welsh Government's requirements for the achievement of net zero carbon emissions.

The audit determined that the Health Board is unlikely to reach the Welsh Government (WG) target of 34% carbon emissions reduction by 2030. The audit found that this is not due to poor governance or an unwillingness from the

organisation to achieve the target, but rather the Health Board faces similar issues as other NHS Wales organisations, with a lack of funding to implement the necessary steps to achieve the WG target.

Furthermore, 67% of the Health Board's overall emissions sit within its procurement processes, which is managed by NHS Wales Shared Services Partnership (NWSSP) and therefore, outside of its direct control.

Positively, there has been clear progress and development of the internal controls since our previous audit. This included a clearly defined governance framework and a well-developed decarbonisation action plan (DAP) monitoring process.

Reports included in the 2024/25 Internal Audit Plan:

Records Management (2024/25)

The purpose of this audit was to assess the implementation of the recommendations raised within the 2022/23 internal audit and to retest the agreed objectives.

The Audit, Risk and Assurance Committee has raised concerns about the pace of the digitisation project and the risks it poses, and has escalated this to the Board to enable a discussion on how records are kept safe while awaiting digitisation.

Assurance Rating Not Applicable

The following reviews were undertaken as part of the audit plan and reported or closed by correspondence without the standard assurance rating indicator, owing to the nature of the audit approach.

Reports included within the 2023/24 Internal Audit Plan, and reported in the Annual Governance Statement 2023/24, reported to the Audit, Risk and Assurance Committee in 2024/25:

Follow-up of High Priority Recommendations (2023-2024)

The review sought to assess whether high-level internal audit recommendations have been implemented and the completeness and accuracy of the updates provided to the Committee via the Audit Recommendation Tracking Tool (the 'Tracker')

Flexible Working (2023-24)

This audit assessed the Health Board's progress in embedding flexible working practices and the identification of good practice.

Reports included in the 2024/25 Internal Audit Plan:

None

Monitoring and Implementation of Audit Recommendations

The Audit, Risk and Assurance Committee monitors the implementation of audit recommendations. In April 2022, the Committee adopted a standard operating procedure (SOP) outlining the internal and external recommendation tracking process. This SOP provides rationale for how tracking recommendations benefits the organisation.

During 2024/25, significant and sustained progress has been made in strengthening the management of audit recommendations. A focused effort has been made to ensuring timely implementation, with particular attention given to longstanding recommendations (pre-2022). This targeted approach has contributed to a more robust and accountable system of oversight. The Audit, Risk and Assurance Committee receives regular updates at each meeting on the status of both internal and external audit recommendations.

To provide assurance to the Committee and the Board, Internal Audit conducts an annual review of how audit recommendations have been implemented, specifically high priority recommendations to ensure they are addressed in an appropriate and timely manner. The review assesses the risk to the Health Board if the implementation of high-priority recommendations is delayed. This review is underway at the time of writing
UPDATE.

As of the final meeting of the 2024/25 financial year, the Audit Recommendations Tracker recorded 69 outstanding recommendations across 38 audit reports. These 69 recommendations are broken down and set out below, demonstrating a continued focus on implementation of recommendations to ensure improvements in quality, safety and governance across the Health Board.

Number of Live Recommendations on the Tracker by Priority Rating				
High	Medium	Low	Advisory	Total
15	32	12	10	69

Head of Internal Audit’s Opinion for 2024/25

The purpose of the annual Head of Internal Audit opinion is to contribute to the assurances available to the Accountable Officer and the Board of Aneurin Bevan University Health Board which underpin the Board’s own assessment of the effectiveness of the organisation’s system of internal control.

TO BE ADDED WHEN RECEIVED

EXTERNAL AUDIT: AUDIT WALES STRUCTURED ASSESSMENT

The Audit Wales 2024 Structured Assessment work reviewed the Health Board's corporate governance and financial management arrangements, particularly the progress made in addressing the previous year's recommendations.

Overall, the Audit Wales report stated:

"The Health Boards Board and committee governance arrangements are stable and generally effective. However, given its financial and performance challenges, the Health Board's development of a new long-term strategy and delivery of its three-year route map are crucial to enabling the organisation to transform services to meet current and future demand."

The report went on to say that:

- ❖ **Board transparency, effectiveness, and cohesion** – "Despite reasonably effective Board and committee arrangements, the Health Board should, increase the number of patient safety leadership walk arounds, and improve committee chairs' reporting to Board".
- ❖ **Corporate systems of assurance** – "while the Health Board is strengthening its assurance arrangements and its performance management approach is improving, further work is needed."
- ❖ **Corporate approach to planning** – "the Health Board has generally effective arrangements for developing strategic plans built on good engagement.
 - Developing a new long-term strategy is a clear priority for the Health Board. However, it needs to ensure clinical services plans are developed in consultation with all relevant stakeholders and fully reflects the changes needed to further deliver sustainable clinical service models."
- ❖ **Corporate approach to managing financial resources** - "the Health Board is improving its financial controls and has a stronger focus on value and savings delivery. However, its significant ongoing financial challenges suggest that it needs a longer-term and detailed financial strategy aligned to sustainable care models."

Copies of reports produced by Audit Wales can be accessed via the following link: [Audit Wales Publications](#).

CONCLUSION

As Accountable Officer for Aneurin Bevan University Health Board, based on the assurance process outlined above, I have reviewed the relevant evidence and assurances in respect of internal control. I can confirm that the Board and its Executive Directors are alert to their accountabilities in respect of internal control and the Board has had in place during the year a system of providing assurance aligned to corporate objectives to assist with identification and management of risk.

During 2024/25, the Health Board proactively identified areas requiring improvement and requested that Internal Audit undertake detailed assessments in order to manage and mitigate associated risks. Work will continue in 2025/26 to ensure implementation of recommendations arising from audit reviews, in particular where a limited assurance rating is applied. Work will also continue in 2025/26 to further embed and mature risk management and assurance arrangements at a corporate and operational level. Implementation of further improvements identified by the External Audit will see a further strengthening of the Board's effectiveness and the system of internal control in 2025/26.

This Annual Governance Statement confirms that Aneurin Bevan University Health Board has continued to mature as an organisation and, whilst there are areas for strengthening, no significant internal control or governance issues have been identified. The Board and the Executive Team has had in place a sound and effective system of internal control that provides regular assurance aligned to the organisation's strategic objectives and strategic risks. Together with the Board, I will continue to drive improvements and will seek to provide assurance for our citizens and stakeholders that the services we provide are efficient, effective and appropriate, and are designed to meet patient needs and expectations and that our governance framework continues to develop and mature.

It is disappointing that in 2024/25, the Health Board has remained under enhanced escalation and intervention arrangements with Welsh Government. Significant progress has been made, and we will continue to progress at pace towards sustainable improvements that enable de-escalation to routine monitoring arrangements.

It is widely known that the demands on the health and care system remain significantly pressured, increasing health inequalities, and sustained economic and cost of living challenges. The health and care landscape in Gwent is rapidly changing. The COVID-19 Pandemic and Cost of Living Crisis have exacerbated pre-existing health inequalities; in 2024, women in Monmouthshire can expect to live 14 more healthy life years than women in Blaenau Gwent. In addition to this, there are now more people over the age of 65 living in Gwent than ever before – and fewer young people too.

This pattern is set to continue in the future which will have a significant impact on healthcare provision and the overall healthcare workforce over the coming years. In 2025/26 we will therefore launch a new long-term strategy which will articulate our joint commitments with the population of Gwent through to 2035.

Signed:

Nicola Prygodzicz
Chief Executive
Dated: XX 2024

Attachment One

The Board has been constituted to comply with the Local Health Boards (Constitution, Membership and Procedures) (Wales) Regulations 2009. In addition to responsibilities and accountabilities set out in terms and conditions of appointment, Board members also fulfil Champion roles where they act as ambassadors for these matters.

Name	Designation	Dates (If not full year)	Attendance at Board Meetings	Champion Role
Independent Members				
Ann Lloyd	Chair		7 out of 7	
Pippa Britton	Vice Chair	Until 30/11/2024	4 out of 5	Mental Health
Louise Wright	Independent Member (Trade Union)		6 out of 7	Welsh Language Speaking Up Safely
Richard G Clarke	Independent Member (Local Authority)		4 out of 7	
Professor Helen Sweetland	Independent Member (University)		7 out of 7	Research
Paul Deneen	Independent Member (Community)		7 out of 7	Children and Young People
Iwan Jones	Independent Member (Finance)		6 out of 7	
Dafydd Vaughan	Independent Member (Digital)		7 out of 7	
Neil Patrick	Independent Member (Community)	From 01/04/2024	6 out of 6	Armed Forces
Penny Jones	Independent Member (Community)		7 out of 7	
Martin Blakebrough*	Independent Member (Third Sector)	Until 08/06/2024		
Executive Directors				
Nicola Prygodzicz	Chief Executive		7 out of 7	

Name	Designation	Dates (If not full year)	Attendance at Board Meetings	Champion Role
Hannah Evans	Director of Strategy, Planning and Partnerships		7 out of 7	Emergency Planning
Rob Holcombe	Director of Finance and Procurement		7 out of 7	
Dr James Calvert	Medical Director / Deputy Chief Executive		5 out of 7	Caldicot
Sarah Simmonds	Director of Workforce and OD		7 out of 7	Raising Concerns Welsh Language
Jennifer Winslade	Director of Nursing		7 out of 7	
Peter Carr	Director of Allied Health Professions and Health Sciences		5 out of 7	Fire Safety Violence and Aggression
Tracy Daszkiewicz	Director of Public Health		4 out of 7	
Leanne Watkins	Chief Operating Officer		7 out of 7	
Directors in Attendance				
Paul Solloway	Director of Digital		7 out of 7	
Director of Corporate Governance				
Rani Dash	Director of Corporate Governance		7 out of 7	

Membership and attendance at Committees of the Board is provided on pages XX

Quoracy of Meetings

Quorate	Non-Quorate

Board	10 April 2024	22 May 2024	17 July 2024	25 September 2024	26 November 2024	29 January 2025	26 March 2025
Patient Quality, Safety and Outcomes Committee	30 April 2024	4 June 2024	30 July 2024	2 September 2024	12 November 2024	20 January 2025	
Audit, Risk and Assurance Committee	22 April 2024	20 May 2024	24 June 2024	4 September 2024	21 October 2024	16 December 2024	12 February 2025
Charitable Funds Committee	3 July 2024	7 November 2024	13 January 2025	7 March 2025			
Partnerships, Population Health and Planning Committee	16 April 2024	1 July 2024	30 September 2024	28 January 2025			
Mental Health Act Monitoring Committee	4 June 2024						
Finance and Performance Committee	17 June 2024	9 September 2024	16 December 2024	17 February 2024			
People and Culture Committee	18 June 2024	15 October 2024	11 February 2025				
Remuneration and Terms of Service Committee	21 August 2024						

Attachment Two

Welsh Health Circulars

WHC No	Date Issued	Name of WHC	Rating
WHC/2024/001	10/01/2024	Changes to the way individuals who are at highest risk from Covid-19 access lateral flow tests	Complete
WHC/2024/002	05/03/2024	Standards for Competency Assurance of Non-Medical Prescribers in Wales	In Progress
WHC/2024/004	12/02/2024	Assurance of aseptic preparation of medicines in NHS Wales (Sterile preparation of medicine)	Complete
WHC/2024/005	01/02/2024	Private Obesity Surgery and the Welsh NHS	Complete
WHC/2024/006	22/03/2024	National Clinical Guidance for Stroke, for the UK and Ireland	In Progress
WHC/2024/007	09/04/2024	Guidelines for managing patients on the suspected cancer pathway	In Progress
WHC/2024/008	02/02/2024	Vaccination against measles - urgent action	In Progress
WHC/2024/009	08/02/2024	Covid 19 spring booster vaccination programme 2024	Complete
WHC/2024/010	27/02/2024	Welsh Sustainability Conference and Awards - New dates	Complete
WHC/2024/011	06/03/2024	Changes to dietary advice on feeding young children	Complete
WHC/2024/012	19/03/2024	Nursing Preceptorship & Restorative Clinical Supervision - A National Position Statement	In Progress
WHC/2024/013	11/04/2024	Governance on interim appointments to Executive and Senior Positions	Complete
WHC/2024/014	07/05/2024	Introduction of the Office of National Statistics' (ONS) Register of Geographic Codes (RGCs) as a foundational standard for use across NHS Wales Bodies	In Progress
WHC/2024/015	01/04/2025	People's Experience Framework and People's Experience Survey	In Progress
WHC/2024/016	12/04/2024	Healthy Child Wales Programme: for school aged children	In Progress
WHC/2024/017	28/03/2024	Implementation of the Non-pay elements of the 2022-24 Collective Agreement	Complete

WHC No	Date Issued	Name of WHC	Rating
WHC/2024/019	17/04/2024	Interim amendments to the Model Standing Orders for Local Health Boards and NHS Trusts in Wales	Complete
WHC/2024/020	13/05/2024	New Treatment fund: directions on the exemptions for health boards and trusts	Complete
WHC/2024/021	25/11/2024	Welcome to Wales: Policy Guidance Framework	Complete
WHC/2024/022	24/04/2024	Dispute Arbitration Process - Guidance for Disputed Debts (Invoices and service agreements) within NHS Wales: 2024/25-2026/27	Complete
WHC/2024/024	21/05/2024	Implementation on the agreed approach to preventing Violence and Aggression towards NHS staff in Wales	Complete
WHC/2024/025	04/06/2024	NHS Wales National Clinical Audit and Outcome Review Plan Annual Rolling Programme for 2024/25	Complete
WHC/2024/026	22/05/2024	2024/25 LHB, SHA & Trust Monthly Financial Monitoring Return Guidance	Complete
WHC/2024/027	19/06/2024	All Wales Critical Care Escalation Guidance for the Management of Large Unplanned Increases in Demand	Complete
WHC/2024/028	12/06/2024	The National Influenza Immunisation Programme 2024-25	In Progress
WHC/2024/029	11/06/2024	Certification of Vision Impairment in Primary and Community Care	Complete
WHC/2024/030	03/07/2024	Published weight management medication pathway	In Progress
WHC/2024/031	17/06/2024	Agency workforce reduction programme and control framework 2024 to 2025	Complete
WHC/2024/032	25/06/2024	Introduction of RSV Vaccination programme	Complete
WHC/2024/033	02/08/2024	The Winter Respiratory Programme 2024/25	In Progress
WHC/2024/034	28/08/2024	Directions to apply the national Framework for the Commissioning of Care and Support in Wales: Code of Practice to local health boards and NHS Trusts - August 2024	In Progress

WHC No	Date Issued	Name of WHC	Rating
WHC/2024/035	17/09/2024	Standardising the management of acute deterioration	In Progress
WHC/2024/036	30/08/2024	Oxygen Cylinders: regulation 28 report and patient safety notice 041 reminder	Complete
WHC/2024/037	24/09/2024	Winter Respiratory Framework 2024 to 2025	In Progress
WHC/2024/038	20/09/2024	Healthcare associated infections and antimicrobial resistance goals 2024 to 2025	Complete
WHC/2024/039	03/10/2024	Pre-Transfusion Sample taking Compliance with the confirmatory sample rule	Complete
WHC/2024/040	03/10/2024	Adopting a patient and family initiated escalation approach	In Progress
WHC/2024/041	30/10/2024	Ambulance patient handover guidance	In Progress
WHC/2024/042	30/10/2024	Introduction of the 'Dictionary of Medicines and Devices' (DM+D) as a foundational standard in all NHS bodies in Wales.	In Progress
WHC/2024/043	14/11/2024	Pertussis Vaccine Offer for Healthcare Workers	In Progress
WHC/2024/044		Mandatory E-Learning Module - Anti-Racism	Complete
WHC/2024/045	18/11/2024	Spotting Sepsis in Children Awareness Leaflet	In Progress
WHC/2024/046	04/12/2024	Influenza (Flu) Vaccination mop up 2024 2025	In Progress
WHC/2024/047	18/12/2024	COVID-19 Spring Vaccination Programme 2025	In Progress
WHC/2024/050	20/12/2024	Infected Blood Inquiry: Implementation of Recommendation 8a and 8b	In Progress
WHC/2024/051	27/01/2025	Health Board allocations 2025 to 2026	Complete
WHC/2025/001	05/03/2025	NHS Wales Sustainability Conference and Awards 2025	Complete

WHC No	Date Issued	Name of WHC	Rating
WHC/2025/002	27/02/2025	Timelines and Responsibilities for the Implementation of Early Warning Scores (EWS) to identify Acute Deterioration	In progress
WHC/2025/004	14/04/2025	National Clinical Audit Plan	Complete
WHC/2025/005	07/03/2025	Climate Emergency Spread & Scale Leadership Day & Adaptation	In progress
WHC/2025/007	06/03/2025	Amendments following interim review to the Model Standing Orders for Local Health Boards, NHS Trusts and Special Health Authorities in Wales	Complete

Ministerial Directives

Date Issued	Ministerial Direction	Progress
29/04/2024	The Directions to Local Health Boards and NHS Trusts in Wales 2003 and the Managed Introduction of New medicines into the National Health Service in Wales Directions 2009 (Amendment)(Wales) Directions 2024	Implemented
19/04/2024	Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment)(No 2) Directions 2024	Implemented
24/06/2024	The Primary Medical Services (Directed Supplementary Services) (Wales) Directions 2024	Implemented
24/06/2024	The Primary Medical Services (Pertussis Immunisation for Pregnant and Post-Natal Women) (Directed Supplementary Services) (Wales) Directions 2024	Implemented
24/06/2024	The Primary Medical Services (Influenza and Pneumococcal Immunisation Scheme) (Directed Supplementary Service) (Wales) Directions 2024	Implemented
24/06/2024	The Primary Medical Services (Oral Anti-coagulation with Warfarin) (Directed Supplementary Services) (Wales) Directions 2024	Implemented
24/06/2024	The Primary Medical Services (Hormone Treatment Scheme for Adult Transgender Patients) (Directed Supplementary Service) (Wales) Directions 2024	Implemented
24/06/2024	The Primary Medical Services (Antivirals for Prophylaxis of Seasonal Influenza in Care Home Outbreaks) (Directed Supplementary Service) (Wales) Directions 2024	Implemented
24/06/2024	The Primary Medical Services (Type 2 Diabetes Mellitus Care Scheme for Adults) (Directed Supplementary Service) (Wales) Directions 2024	Implemented
05/07/2024	The Alternative Provider Medical Services (Wales) Directions 2024	Implemented

Date Issued	Ministerial Direction	Progress
23/08/2024	The Primary Care (Contracted Services: Immunisations) (RSV) Directions 2024	Implemented
28/08/2024	The Directions to Local Health Boards and NHS Trusts in Wales on the National Framework for Commissioning Care and Support 2024	Implemented
30/09/2024	Pharmaceutical Services (Clinical Services) (Wales) (Amendment) Directions 2024	Implemented
10/10/2024	The Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 3) Directions 2024	Implemented
28/11/2024	Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 4) Directions 2024	Implemented
03/12/2024	The Local Health Board Medical Services (Wales) Directions 2024	Implemented
19/12/2024	The directed supplementary services directions and specification for complex multi-morbidity and frailty 2024	Implemented
10/02/2025	The Directions to Local Health Boards as to the General Dental Services Statement of Financial Entitlements (Amendment) Directions 2025	Implemented
10/02/2025	The Directions to Local Health Boards as to the Personal Dental Services Statement of Financial Entitlements (Amendment) Directions 2025	Implemented
10/02/2025	The Directions to Local Health Boards as to the General Dental Services Statement of Financial Entitlements (Amendment) (No.2) Directions 2025	Implemented
10/02/2025	The Directions to Local Health Boards as to the Personal Dental Services Statement of Financial Entitlements (Amendment) (No.2) Directions 2025	Implemented
11/02/2025	Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) Directions 2025	Implemented
11/02/2025	Statement of general ophthalmic services remuneration and fee directions: 2025	Implemented
18/02/2025	The Directions to Local Health Boards as to the Personal Dental Services Statement of Financial Entitlements (Amendment) (No.3) Directions 2025	Implemented
18/02/2025	The Directions to Local Health Boards as to the General Dental Services Statement of Financial Entitlements (Amendment) (No.3) Directions 2025	Implemented
21/02/2025	Statement of general ophthalmic services remuneration and fee directions: 2025	Implemented
21/02/2025	The Directions to Local Health Boards as to the General Dental Services Statement of Financial Entitlements (Amendment) Directions 2025	Implemented
28/03/2025	The Wales Infected Blood Support Scheme (amendment) Directions 2025	Implemented

Attachment Three

[Corporate governance in central government departments: code of good practice 2017](#)

Aneurin Bevan University Health Board Assessment 2024/25

Para	Corporate Governance Code Principles	Evidence of Internal assurance/Supporting Narrative	Comply or Explain	Supporting documentation / Evidence
2.1 2.2	Each organisation should have an effective board, which provides leadership for the business, helping it to operate in a business-like manner. The board should operate collectively, concentrating on advising on strategic and operational issues affecting the department's performance, as well as scrutinising and challenging departmental policies and performance, with a view to the long-term health and success of the Trust.	The Board meets in public on a bi-monthly basis. A forward work programme of Board Business is in place and approved on an annual basis. The work of the Board is guided and determined by its Standing Orders, Standing Financial Instructions and Schemes of Delegation. This provides the framework for delegation and decision making within the Health Board. The Board receives, as standing items to each meeting, finance, performance and corporate risk reports.	Comply	Board and Committee Minutes – demonstrate Scrutiny and support Audit Wales Structured Assessment 2024
2.3	The Board does not decide policy or exercise the powers of the ministers. The department's policy is decided by ministers alone on advice from officials. The board advises on the operational implications and effectiveness of policy proposals. The Board will operate according to recognised precepts of good corporate governance in business: • Leadership – articulating a clear vision for the department and giving clarity about how policy activities contribute to achieving this vision, including setting risk appetite and managing risk • Effectiveness – bringing a wide range of relevant experience to bear, including through offering rigorous challenge and scrutinising performance	The Board provides leadership and direction to the organisation and has a key role in ensuring that the organisation has sound governance arrangements in place. The Board seeks an open culture and high standards in the ways in which its work is conducted. Board Members share corporate responsibility for all decisions and undertake a key role in monitoring the performance of the organisation. Progress against the Health Board Integrated Medium Term Plan 2022-2025, which adopts a life course approach, is presented to the Board on a quarterly basis. The Health Board's Standing Orders and Standing Financial Instructions are designed to translate the statutory requirements into day to day operating practice, and, together with the adoption of a Schedule	Comply	Standing Orders and Standing Financial Instructions Audit Wales Structured Assessment 2024 IMTP Value and Behaviours Framework

Para	Corporate Governance Code Principles	Evidence of Internal assurance/Supporting Narrative	Comply or Explain	Supporting documentation / Evidence
	- Accountability – promoting transparency through clear and fair reporting. - Sustainability – taking a long-term view about what the department is trying to achieve and what it is doing to get there.	of Decisions reserved to the Board of Directors; a Scheme of Decisions to Officers and Others; and Standing Financial Instructions (SFIs), they provide the regulatory framework for the business conduct of the Health Board. These documents form the basis upon which the Health Board’s governance and accountability framework is developed and, together with the adoption of the Health Board’s Values and Behaviour Framework, is designed to ensure the achievement of the standards of good governance set for the NHS in Wales.		
2.4 3.10	The Board should meet on at least a quarterly basis; however, best practice is that boards should meet more frequently. The Board advises on five main areas: - Strategic Clarity - Commercial Sense - Talented People - Results focus - Management information	The Board meets at least six times a year and in addition holds an Annual General Meeting. Discussions, actions and decisions of all meetings of the Board and its Committees are formally recorded as minutes or action notes. The Board’s role, as set out in its Standing Orders, is to: - Set the strategic direction for the organisation - Hold the organisation to account for performance and delivery - Set the tone and culture of the Board and the organisation The Board’s business is therefore structured in this way and encompasses the five main areas set out in point 2.4.	Comply	Standing Orders and Standing Financial Instructions Audit Wales Structured Assessment 2024 Board and Committee Agenda and Meeting Papers
2.7	The Board also supports the accounting officer in the discharge of obligations set out in Managing Public Money for the proper conduct of business and maintenance of ethical standards.	The Board approves the Accountability Report, following scrutiny by the Audit, Risk and Assurance Committee, on an annual basis which includes the Statement by the Accountable Officer assuring the Board on the System of Internal Control.	Comply	Accountability Report

Para	Corporate Governance Code Principles	Evidence of Internal assurance/Supporting Narrative	Comply or Explain	Supporting documentation / Evidence
2.12	Where Board members have concerns, which cannot be resolved, about the running of the department or a proposed action, they should ensure that their concerns are recorded in the minutes.	Any concerns raised at Board and Committee meetings are formally recorded in the minutes. The role of the Director of Corporate Governance is responsible for ensuring these matters are effectively managed, recorded and resolved where possible.	Comply	Board and Committee Agenda and Papers Role of the Director of Corporate Governance
3.1 3.11 3.12 3.13	The Board should have a balance of skills and experience appropriate to fulfilling its responsibilities. The membership of the board should be balanced, diverse and manageable in size.	Constitution is set out in the Health Board's Establishment Orders and the Health Board abides by this composition. The Health Board's Standing Orders also outlines the composition of the Board. The Board has a range of skills and expertise. Individuals are appointed to Independent Member or Executive roles based on their particular backgrounds and specialist knowledge. All Independent Member appointments including the Chair and Vice Chair are appointed by Welsh Government and the appointment processes are managed by the Public Appointments Department of Welsh Government. The appointment panels for all Executive appointments, although organisation appointments, will have external independent assessors and Welsh Government representation. All Executive Directors are appointed to permanent NHS contracts. Independent Members are appointed for up to four years at any one time and can be re-appointed up to a maximum of eight years in the organisation. This	Comply	Health Board Establishment Orders Standing Orders Board Member Induction checklist

Para	Corporate Governance Code Principles	Evidence of Internal assurance/Supporting Narrative	Comply or Explain	Supporting documentation / Evidence
		is controlled by Welsh Government as they are Ministerial appointments. The Board is provided with a range of information including performance information at Board and Committee Meetings. The format and content of these is informed by national standards and requirements and also locally requested information. Independent Member membership on Board Committees are rotated at appropriate times to ensure there is mix and balance of experience across all meetings		
3.2	The roles and responsibilities of all board members should be defined clearly in the department's board operating framework.	The Board is constituted in accordance with the Health Board's Establishment Orders and Standing Orders	Comply	Health Board Establishment Orders Standing Orders
3.3	The Finance Director should be professionally qualified.	The Director of Finance and Procurement is professionally qualified	Comply	Recruitment and appointment documentation for the Director of Finance and Procurement
3.5	Independent Members will exercise their role through influence and advice, supporting as well as challenging the executive	The Structured Assessment 2024 highlights: <i>Board members hold open and frank discussions in Board and committee meetings on the Health Board's performance, finance, and quality challenges. Executive Directors are open about the Health Board's challenges</i>	Comply	Audit Wales Structured Assessment 2024 Independent Member Induction Pack

Para	Corporate Governance Code Principles	Evidence of Internal assurance/Supporting Narrative	Comply or Explain	Supporting documentation / Evidence
		<i>and the priority areas for action and feel well supported by the entire Board in responding to them.</i> There is a national programme of induction, in which all members are asked to participate. This is organised by Health Education and Improvement Wales. Tailored programmes of induction are in place new for Independent Members. A revised local induction programme has been developed and work continues to build a comprehensive programme for future use. There is also a programme of Board Development Sessions and Board Briefings and other training made available to the Board.		
3.15	The Board should agree and document in its board operating framework a <i>de minimis</i> threshold and mechanisms for board advice on the operation and delivery of policy proposals.	A forward work programme of Board Business is in place and approved on an annual basis. The Terms of Reference Operating Arrangements for the Board Committees articulate their remit. A forward work programme for each Committee is in place and approved on an annual basis.		Board Forward Work Programme Committee Forward Work Programmes Committee Terms of Reference
4.1	The Board should ensure that arrangements are in place to enable it to discharge its responsibilities effectively, including: 1. formal procedures for the appointment of new board members, tenure and succession planning for both board members and senior officials 2. allowing sufficient time for the board to discharge its collective responsibilities effectively 3. induction on joining the board, supplemented by regular updates to keep board members' skills and knowledge up-to-date	All Independent Member appointments including the Chair and Vice Chair are appointed by Welsh Government and the appointment processes are managed by the Public Appointments Department of Welsh Government. All Executive appointments, although internal appointments have external independent assessors on the panels and also Welsh Government representation. The Director of Corporate Governance monitors the terms of office of Independent Members to ensure		Terms of Reference and Operating Arrangements for Board and Committees Board and Committee Forward Work Programmes

Para	Corporate Governance Code Principles	Evidence of Internal assurance/Supporting Narrative	Comply or Explain	Supporting documentation / Evidence
	4. timely provision of information in a form and of a quality that enables the board to discharge its duties effectively 5. a mechanism for learning from past successes and failures within the departmental family and relevant external organisations 6. a formal and rigorous annual evaluation of the board's performance and that of its committees, and of individual board members 7. a dedicated secretariat with appropriate skills and experience	succession planning is timely and managed in conjunction with the public appointments unit. Agenda Setting meetings are held with the Chair, Chief Executive and Director of Corporate Governance to plan the agenda and ensure sufficient time is allocated to the right things at Board meetings. Board Induction programme in place (as previously referenced), supplemented by ongoing Board Briefing and Board Development sessions. The Chair undertakes regular one to ones and annual Personal Appraisal and Development Reviews with all Independent Members. Agenda and papers for Board meetings are published one week prior to the meeting. Report templates have been revised to ensure to support the provision of appropriate and relevant information. The Board's Quality Strategy and Quality Assurance Framework ensure learning as a key pillar of quality, embedded across the organisation. The Board undertakes an assessment of its effectiveness using the NHS England and NHS Improvement (NHSE and NHSI) Well-led Framework for Leadership and Governance Developmental Reviews. Committees undertook self assessments for 2024/25 during January which will inform the Board's end of year assessment.		

Para	Corporate Governance Code Principles	Evidence of Internal assurance/Supporting Narrative	Comply or Explain	Supporting documentation / Evidence
4.5	The terms of reference for the nominations committee will include at least the following three central elements: • scrutinising systems for identifying and developing leadership and high potential • scrutinising plans for orderly succession of appointments to the board and of senior management, in order to maintain an appropriate balance of skills and experience • scrutinising incentives and rewards for executive board members and senior officials, and advising on the extent to which these arrangements are effective at improving performance	The Terms of Reference and operating arrangements are based on the model Standing Orders and ensure that roles and responsibilities of Board Committees capture scrutiny and assurance roles. The Chair reviews the membership of Committees on an annual basis to ensure the appropriate balance of skills and expertise and support succession planning.	Comply	Terms of Reference for Board Committees Standing Orders
4.6	The attendance record of individual board members should be disclosed in the governance statement and cover meetings of the board and its committees held in the period to which the resource accounts relate.	The Annual Governance Statement provides details on the membership of the Board and Committee and the attendance record of individuals at these meetings.	Comply	Annual Governance Statement
4.10	Where necessary, board members should seek clarification or amplification on board issues or board papers through the board secretary. The board secretary will consider how officials can best support the work of board members; this may include providing board members with direct access to officials where appropriate.	Independent Members of the Board have direct access to members of the executive team in order to seek further information or clarification on issues as and when they arise. Regular Board Development sessions and Board briefings are also held to ensure that Board members are kept up to date on the breadth of issues. The Director of Corporate Governance acts as an independent voice within the organisation to advise and support the Board on governance matters and its approach to openness and transparency. The Director of Corporate Governance is responsible for developing the programmes of work for the Board and Committees of the organisation. Ensuring that agenda and papers are	Comply	Board Secretary role profile

Para	Corporate Governance Code Principles	Evidence of Internal assurance/Supporting Narrative	Comply or Explain	Supporting documentation / Evidence
		developed and reviewed prior to publication to ensure the quality of reports and maximum transparency and openness in the way in which the organisation conducts its business.		
4.11	An effective board secretary is essential for an effective board. Under the direction of the permanent secretary, the board secretary's responsibilities should include: - developing and agreeing the agenda for board meetings with the chair and lead non-executive board member, ensuring all relevant items are brought to the board's attention - ensuring good information flows within the board and its committees and between senior management and non-executive board members, including: - challenging and ensuring the quality of board papers and board information - ensuring board papers are received by board members according to a timetable agreed by the board - providing advice and support on governance matters and helping to implement improvements in the governance structure and arrangements - ensuring the board follows due process - providing assurance to the board that the department: - complies with government policy, as set out in the code - adheres to the code's principles and supporting provisions on a comply or explain basis (which should form part of the report accompanying the resource accounts)	The Director of Corporate Governance undertakes these roles as Board Secretary for the Health Board	Comply	Board Secretary role description Standing Orders

Para	Corporate Governance Code Principles	Evidence of Internal assurance/Supporting Narrative	Comply or Explain	Supporting documentation / Evidence
	- acting as the focal point for interaction between non-executive board members and the department, including arranging detailed briefing for non-executive board members and meetings between non-executive board members and officials, as requested or appropriate recording board decisions accurately and ensuring action points are followed up - arranging induction and professional development of board members (including ministers)			
4.14	Evaluations of the performance of individual board members should show whether each continues to contribute effectively and corporately and demonstrates commitment to the role (including commitment of time for board and committee meetings and other duties).	Individual annual assessment of Board Executive Directors is undertaken by the Chief Executive and Independent Members by the Chair, with the former reported to the Remuneration and Terms of Service Committee.	Comply	Appraisal documentation and process
4.15	All potential conflicts of interest for non-executive board members should be considered on a case by case basis. Where necessary, measures should be put in place to manage or resolve potential conflicts. The board should agree and document an appropriate system to record and manage conflicts and potential conflicts of interest of board members. The board should publish, in its governance statement, all relevant interests of individual board members and how any identified conflicts, and potential conflicts, of interest of board members have been managed.	Board Members complete annual Declarations of Interest and this register is available on the Health Board's website. Declarations of Interest in relation to items on the agenda are also sought at each Board and Committee meeting and are formally recorded within the minutes. Standards of Business Conduct for Employees in place (revised September 2024) and details responsibilities for declarations of interests.	Comply	Declarations of Interest Register Standards of Business Conduct for Employees Policy

Para	Corporate Governance Code Principles	Evidence of Internal assurance/Supporting Narrative	Comply or Explain	Supporting documentation / Evidence
5.1 5.8	The board should ensure that there are effective arrangements for governance, risk management and internal control for the whole departmental family. Advice about and scrutiny of key risks is a matter for the board, not a committee. The board should be supported by: - an audit and risk assurance committee, chaired by a suitably experienced non-executive board member - an internal audit service operating to Public Sector Internal Audit Standards¹ - sponsor teams of the department's key ALBs	The Health Board has established an Audit, Risk and Assurance Committee, chaired by the Independent Member Finance lead. NWSSP Internal Audit Services are appointed as the Health Boards Internal Auditors The Health Board and its Committees monitor the management of risk considering the risks profile and actively engaging in its management.	Comply	Terms of Reference and Operating Arrangements for the Audit, Risk and Assurance Committee Accountability Report Audit Wales Structured Assessment
5.2 5.13	The board should take the lead on, and oversee the preparation of, the department's governance statement for publication with its resource accounts each year. The annual governance statement (which includes areas formerly covered by the statement on internal control) is published with the resource accounts each year. In preparing it, the board should assess the risks facing the department and ensure that the department's risk management and internal control systems are effective. The audit and risk assurance committee should normally lead this assessment for the board.	The Audit, Risk and Assurance Committee is responsible for reviewing the system of governance and assurance established within the Health Board and the arrangements for internal control, including risk management for the organisation and, in particular, advises on the Annual Governance Statement signed by the Chief Executive. The Governance Statement is included within the Accountability Report which is considered by the Audit, Risk and Assurance Committee prior to approval by the Board.	Comply	Accountability Report
5.3 5.10	The board's regular agenda should include scrutinising and advising on risk management.	The Health Board approve the Risk Management Framework. The Health Board and its Committees monitor the management of risk considering the risks profile and actively engaging in its management.		Board and Committee Agendas and papers Risk Management Strategy

Para	Corporate Governance Code Principles	Evidence of Internal assurance/Supporting Narrative	Comply or Explain	Supporting documentation / Evidence
		A Strategic Risk Register is maintained and considered at each Board Meeting, and by the Audit, Risk and Assurance Committee. Each Committee monitors risks associated with its portfolio and provides assurance reports on these to the Board.		Board Assurance Framework Strategic Risk Register
5.4 5.9 5.11 5.12 5.14 5.15	The key responsibilities of non-executive board members include forming an audit and risk assurance committee. The board and accounting officer should be supported by an audit and risk assurance committee, comprising at least three members. An audit and risk assurance committee should not have any executive responsibilities or be charged with making or endorsing any decisions. It should take care to maintain its independence. The audit and risk assurance committee should be established and function in accordance with the <i>Audit and risk assurance committee handbook</i>. The board should ensure that there is adequate support for the audit and risk assurance committee, including a secretariat function. The terms of reference of the audit and risk assurance committee, including its role and the authority delegated to it by the board, should be made available publicly. The department should report annually on the work of the committee in discharging those responsibilities	An Audit, Risk and Assurance Committee is established. The Terms of Reference and Operating Arrangements for the ARA Committee are clear in relation to authority and delegated responsibilities. These Terms of Reference are published on the Health Board's website. Full secretariat support is provided by the Corporate Governance Team. 5 Independent Members comprise the Audit, Risk and Assurance Committee. The Board Assurance Framework is scrutinised by the Audit, Risk and Assurance Committee.	Comply	Terms of Reference and Operating Arrangements for Audit, Risk and Assurance Committee Board Assurance Framework

Para	Corporate Governance Code Principles	Evidence of Internal assurance/Supporting Narrative	Comply or Explain	Supporting documentation / Evidence
	Boards should ensure the scrutiny of governance arrangements, whether at the board or at one of its subcommittees (such as the audit and risk assurance committee or a nominations committee). This will include advising on, and scrutinising the department's implementation of, corporate governance policy.			
5.5	The head of internal audit should periodically be invited to attend board meetings, where key issues are discussed relating to governance, risk management processes or controls across the department and its ALBs.	The role of Head of Internal Audit is clearly set out in the Health Board's Standing Orders. The Head of Internal Audit attends all meetings of the Audit, Risk and Assurance Committee. Audit Wales and Internal Audit have a routine invite to all Board and Committee meetings.	Comply	Standing Orders Terms of Reference for the Audit, Risk and Assurance Committee
5.6 5.7 5.10	The board should assure itself of the effectiveness of the department's risk management system and procedures and its internal controls. The board should give a clear steer on the desired risk appetite for the department and ensure that: • there is a proper framework of prudent and effective controls, so that risks can be assessed, managed and taken prudently • there is clear accountability for managing risks • Departmental officials are equipped with the relevant skills and guidance to perform their assigned roles effectively and efficiently.	The Health Board has an agreed Risk Management Strategy which articulates a clear risk escalation pathway. A Risk Management Community of Practice is in place, led by the Head of Corporate Services, Risk and Assurance.	Comply	Risk Management Strategy Strategic Risk Register

Para	Corporate Governance Code Principles	Evidence of Internal assurance/Supporting Narrative	Comply or Explain	Supporting documentation / Evidence
	The board should also ensure that the department's ALBs have appropriate and effective risk management processes through the department's sponsor teams Advising on key risks is a role for the board. The audit and risk assurance committee should support the board in this role.			

Remuneration and Staff Report 2024/25

The Treasury's Government Financial Reporting Manual (FReM) requires that a Remuneration Report shall be prepared by NHS bodies providing information under the headings in SI 2008 No 410, made to the extent that they are relevant. The Remuneration Report contains information about senior managers remuneration. The definition of 'Senior Manager' is: "those persons in senior positions having authority or responsibility for directing or controlling the major activities of the NHS body. This means those who influence the decisions of the entity as a whole rather than the decisions of individual directorates or departments."

This section of the Accountability Report meets these requirements.

The Remuneration and Terms of Service Committee

Remuneration and Terms of Service for Executive Directors and the Chief Executive are agreed, and kept under review, by the Board's Remuneration and Terms of Service Committee. The Committee also monitors and evaluates the annual performance of the Chief Executive and individual Directors (the latter with the advice of the Chief Executive). In 2024/25, the Remuneration and Terms of Service Committee was chaired by the Health Board's Chair, Ann Lloyd CBE, and the membership included the following Members:

- Pippa Britton, Vice Chair of the Board;
- Iwan Jones, Chair of Audit, Risk and Assurance Committee
- Louise Wright, Independent Member (Trade Union).

Meetings are minuted and decisions fully recorded.

Independent Member Remuneration

Remuneration for Independent Members is determined by the Welsh Government, along with the tenure of appointments. Details of Independent Members' remuneration for the 2024/25 financial year, together with comparators are given in Tables below.

Directors' Remuneration

Details of Directors' remuneration for the 2024/25 financial year, together with comparators are given in Tables below. The norm is for Executive Directors and Senior Managers salaries to be uplifted in accordance with the Welsh Government identified normal pay inflation percentage. In 2024/25, Executive Directors received a pay inflation uplift, in-line with Welsh Government's Framework.

The Remuneration and Terms of Service Committee also reviews objectives set for Executive Directors and assesses performance against those objectives when considering recommendations in respect of annual pay uplifts. It should be noted that Executive Directors are not on any form of performance related pay. All contracts are permanent with a three-month notice period. Conditions are in line with those set by Welsh Government as part of the NHS Reform Programme of 2009.

The Remuneration and Terms of Service Committee considers issues of equality and diversity when evaluating and setting remuneration for Directors', particularly in relation to gender and ethnicity in pay levels, in line with Welsh Government's Framework.

Salary and Pension Disclosure Table: Salaries and Allowances

Salary and Pension entitlements of Senior Managers Remuneration

Name	Title	2024-25					2023-24				
		Full Year Equivalent Salary (bands of £5,000)	Salary (bands of £5,000)	Benefits in kind (to nearest £100)	Pension Benefits	Total (bands of £5,000)	Full Year Equivalent Salary (bands of £5,000)	Salary (bands of £5,000)	Benefits in kind (to nearest £100)	Pension Benefits	Total (bands of £5,000)
		£000	£000	£00	£000	£000	£000	£000	£00	£000	£000
Executive Directors											
Nicola Prygodzicz	Chief Executive	240 - 245	210 - 215	16	175	390 - 395	225 - 230	205 - 210	12	62	270 - 275
Dr James Calvert	Medical Director / Deputy Chief Executive	225 - 230	225 - 230	0	92	315 - 320	215 - 220	215 - 220	0	57	275 - 280
Robert Holcombe	Director of Finance and Procurement	165 - 170	165 - 170	0	68	235 - 240	160 - 165	160 - 165	0	0	160 - 165
Chris Dawson-Morris	Interim Director of Planning and Performance (Until 02.04.23)						125 - 130	0 - 5	0	0	0 - 5
Hannah Evans	Director of Strategy, Planning and Partnerships	155 - 160	155 - 160	0	38	190 - 195	145 - 150	145 - 150	0	82	230 - 235
Jennifer Winslade	Director of Nursing	155 - 160	155 - 160	12	20	175 - 180	145 - 150	145 - 150	7	0	150 - 155
Sarah Simmonds	Director of Workforce and Organisational Development	155 - 160	155 - 160	15	55	210 - 215	145 - 150	150 - 155	15	51	200 - 205
Peter Carr	Director of Therapies and Health Sciences	130 - 135	130 - 135	0	99	230 - 235	125 - 130	120 - 125	0	0	120 125
Dr Chris O'Connor	Interim Director of Primary, Community and Mental Health Services (Until 30.04.23)						135 - 140	10 - 15	0	0	10 - 15
Tracy Daszkiewicz	Director of Public Health and Strategic Partnerships	150 - 155	150 - 155	0	44	195 - 200	140 - 145	140 - 145	0	35	175 - 180
Chief Operating Officer											
Leanne Watkins	Chief Operating Officer (From 01.05.23)	155 - 160	155 - 160	17	59	215 - 220	145 - 150	150 - 155	17	121	270 - 275
	Director of Operations (Until 30.04.23)										
Other Directors											
Rani Dash	Director of Corporate Governance	130 - 135	130 - 135	10	28	155 - 160	120 - 125	125 - 130	45	64	195 - 200
Paul Solloway	Director of Digital (From 28.06.23)	130 - 135	130 - 135	9	150	280 - 285	125 - 130	90 - 95	6	214	305 - 310

Special Advisor to the Board

Philip Robson	Special Advisor to the Board	15 - 20	15 - 20	0	0	15 - 20	15 - 20	15 - 20	0	0	15 - 20

Independent Members

Ann Lloyd CBE	Chair	65 - 70	65 - 70	0	0	65 - 70	65 - 70	65 - 70	0	0	65 - 70
Pippa Britton	Vice Chair (Until 30.11.24)	55 - 60	35 - 40	0	0	35 - 40	55 - 60	55 - 60	0	0	55 - 60
Martin Blakebrough	Independent Member (Third Sector) (From 03.05.23 Until 08.06.24)	15 - 20	0 - 5	0	0	0 - 5	15 - 20	10 - 15	0	0	10 - 15
Prof. Helen Sweetland	Independent Member (University)	15 - 20	5 - 10	0	0	5 - 10	0	0	0	0	0
Richard Clark	Independent Member (Local Authority)	15 - 20	15 - 20	0	0	15 - 20	15 - 20	15 - 20	0	0	15 - 20
Paul Deneen	Independent Member (Community)	15 - 20	15 - 20	0	0	15 - 20	15 - 20	15 - 20	0	0	15 - 20
Neil Patrick	Independent Member (Community) (From 01.04.24)	15 - 20	15 - 20	0	0	15 - 20					
Shelley Bosson	Independent Member (Community) (Until 31.03.24)						15 - 20	15 - 20	0	0	15 - 20
Penny Jones	Independent Member (Community) (From 15.01.24)	15 - 20	15 - 20	0	0	15 - 20	15 - 20	15 - 20	0	0	15 - 20
Dafydd Vaughan	Independent Member (Digital)	15 - 20	15 - 20	0	0	15 - 20	15 - 20	15 - 20	0	0	15 - 20
Iwan Jones	Independent Member (Finance)	15 - 20	15 - 20	0	0	15 - 20	15 - 20	15 - 20	0	0	15 - 20
Louise Wright	Independent Member (Trade Union)	0	0	0	0	0	0	0	0	0	0

Band of Highest paid Director's Total Remuneration £000

25th percentile pay £

Median pay £

75th percentile pay £

2024-25	
Pay	Ratio
240 - 245	
29,484	8.2:1
37,030	6.5:1
48,530	5.0:1

2023-24	
Pay	Ratio
225 - 230	
28,581	8.0:1
35,922	6.3:1
46,686	4.9:1

Salary has been reported as gross pay, which is before the deduction of any salary sacrifice schemes. During 2024-25 the following salary was sacrificed.

	Lease Car Scheme	Home Electronics Scheme	Pensions Advice
	£'000	£'000	£'000
Nicola Prygodzicz	9		<1
Jennifer Winslade	12		
Sarah Simmonds	8		<1
Leanne Watkins	11	1	
Rani Dash	9		
Paul Solloway	9		

The post of Special Advisor to the Board has been disclosed as it has been deemed to have an influence over board decisions.

The amount of pension benefits for the year which contributes to the single total figure is calculated using a similar method to that used to derive pension values for tax purposes and is based on information received from NHS BSA Pensions Agency.

The value of pension benefits is calculated as follows:

$(\text{real increase in pension} \times 20) + (\text{real increase in any lump sum}) - (\text{contributions made by member})$

*excluding increases due to inflation or any increase or decrease due to a transfer of pension rights

This is not an amount which has been paid to an individual by the Health Board during the year, it is a calculation which uses information from the pension benefit table. These figures can be influenced by many factors e.g. changes in a person's salary, whether or not they choose to make additional contributions to the pension scheme from their pay and other valuation factors affecting the pension scheme as a whole.

Prof. Helen Sweetland has been remunerated since 1st September 2024.

Former Chief Executive Andrew Goodall has been seconded to Welsh Government since 8th June 2014. Welsh Government Accounts has disclosed remuneration received, the Health Board was reimbursed for the employment costs incurred. The salary for Andrew Goodall for 2024-25 was between £240,000 to £245,000 (£230,000 to £235,000 2023-24).

Remuneration Report continued

Salary and Pension entitlements of Senior Managers Pension Benefits

Name	Title	Real	Real	Total accrued	Lump sum at	Cash	Cash	Real	Employer's contribution to stakeholder pension
		increase in pension at pension age (bands of £2,500)	increase in pension lump sum at pension age (bands of £2,500)	pension at pension age at 31 March 2025 (bands of £5,000)	pension age related to accrued pension at 31 March 2025 (bands of £5,000)	Equivalent Transfer Value at 31 March 2025	Equivalent Transfer Value at 31 March 2024	increase in Cash Equivalent Transfer Value	
		£000	£000	£000	£000	£000	£000	£000	£00
Nicola Prygodzicz	Chief Executive	7.5 - 10.0	15.0 - 17.5	85 - 90	225 - 230	1974	1650	188	0
Dr James Calvert	Medical Director / Deputy Chief Executive	5.0 - 7.5	2.5 - 5.0	95 - 100	255 - 260	2404	2114	117	0
Robert Holcombe	Director of Finance and Procurement	2.5 - 5.0	2.5 - 5.0	60 - 65	160 - 165	1474	1290	76	0
Hannah Evans	Director of Strategy, Planning and Partnerships	2.5 - 5.0	2.5 - 5.0	45 - 50	115 - 120	964	846	42	0
Jennifer Winslade	Director of Nursing	0.0 - 2.5	0.0	60 - 65	155 - 160	1449	1316	27	0
Sarah Simmonds	Director of Workforce and Organisational Development	2.5 - 5.0	0.0 - 2.5	40 - 45	100 - 105	852	736	48	0
Peter Carr	Director of Therapies and Health Sciences	5.0 - 7.5	7.5 - 10.0	50 - 55	125 - 130	1118	937	101	0
Tracy Daszkiewicz	Director of Public Health and Strategic Partnerships	2.5 - 5.0	0.0	15 - 20	0	288	224	30	0
Leanne Watkins	Chief Operating Officer	2.5 - 5.0	2.5 - 5.0	55 - 60	145 - 150	1212	1061	61	0
Rani Dash	Director of Corporate Governance	0.0 - 2.5	0.0	30 - 35	75 - 80	585	517	18	0
Paul Solloway	Director of Digital	5.0 - 7.5	15.0 - 17.5	45 - 50	120 - 125	1029	809	151	0

As Non-Executive members do not receive pensionable remuneration, there will be no entries in respect of pensions for Non-Executive members.

Pensions tax annual allowance – Scheme Pays arrangements 2019/20

In accordance with a Ministerial Direction issued on 18 December 2019, the Welsh Government have taken action to support circumstances where pensions tax rules are impacting upon clinical staff who want to work additional hours, and have determined that:

- clinical staff who are members of the NHS Pension Scheme and who, as a result of work undertaken in the 2019-20 tax year, face a tax charge on the growth of their NHS pension benefits, may opt to have this charge paid by the NHS Pension Scheme, with their pension reduced on retirement.

Welsh Government, on behalf of the Aneurin Bevan University Health Board, will pay the members who opt for reimbursement of their pension, a corresponding amount on retirement, ensuring that they are fully compensated for the effect of the deduction.

This scheme will be funded directly by the Welsh Government to the NHS Business Services Authority Pension Division, the administrators on behalf of the Welsh claimants.

Clinical staff have until 31 March 2022 to opt for this scheme and the ability to make changes up to 31 July 2026

The Health Board have included a Scheme Pay provision of £685,920 (as notified by Welsh Government) within these accounts.

Remuneration Relationship

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director/employee in their organisation and the 25th percentile, median and 75th percentile remuneration of the organisation's workforce.

	2024-25	2024-25	2024-25		2023-24	2023-24	2023-24
	£000	£000	£000		£000	£000	£000
	Chief				Chief		
Total pay and benefits	Executive	Employee	Ratio		Executive	Employee	Ratio
25th percentile pay ratio	240 - 245	29	8.2		225 - 230	29	8.0
Median pay	240 - 245	37	6.5		225 - 230	36	6.3
75th percentile pay ratio	240 - 245	49	5.0		225 - 230	47	4.9
Salary component of total pay and benefits							
25th percentile pay ratio	240 - 245	29			225 - 230	29	
Median pay	240 - 245	37			225 - 230	36	
75th percentile pay ratio	240 - 245	49			225 - 230	47	
	Highest Paid				Highest Paid		
Total pay and benefits	Director	Employee	Ratio		Director	Employee	Ratio
25th percentile pay ratio	240 - 245	29	8.2		225 - 230	29	8.0
Median pay	240 - 245	37	6.5		225 - 230	36	6.3
75th percentile pay ratio	240 - 245	49	5.0		225 - 230	47	4.9
Salary component of total pay and benefits							
25th percentile pay ratio	240 - 245	29			225 - 230	29	
Median pay	240 - 245	37			225 - 230	36	
75th percentile pay ratio	240 - 245	49			225 - 230	47	

In 2024-25, 15 (2023-24, 10) employees received remuneration in excess of the highest-paid director.

Remuneration for all staff ranged from £17k to £459k (2023-24, £15k to £383k).

The all staff range includes directors (including the highest paid director) and excludes pension benefits of all employees.

Financial year summary

There has been an increase in the pay ratio which is attributable to the increase in the chief executive / highest paid director salary being more than the increase in the employee median salary.

The median pay ratio for the relevant financial year is consistent with the pay, reward and progression policies for the entity's employees taken as a whole.

9.6.2 Percentage Changes					2023-24		2022-23
					to		to
					2024-25		2023-24
% Change from previous financial year in respect of Chief Executive					%		%
	Salary and allowances				7		5
	Performance pay and bonuses				0		0
% Change from previous financial year in respect of highest paid director							
	Salary and allowances				7		5
	Performance pay and bonuses				0		0
Average % Change from previous financial year in respect of employees taken as a whole							
	Salary and allowances				5		7
	Performance pay and bonuses				0		0

STAFF REPORT

Staff Numbers

Average number of employees (WTE)	Permanent	Staff on Secondment	Agency	Specialist	Other	2024/25 Total	2023-24
Administrative, clerical and board members	2,713	7	2	0	0	2,722	2,761
Medical and dental	845	5	49	430	10	1,339	1,338
Nursing, midwifery registered	3,975	0	146	0	0	4,121	4,012
Professional, Scientific, and technical staff	428	0	5	0	0	433	452
Additional Clinical Services	2,886	0	17	0	0	2,903	2,841
Allied Health Professions	953	6	23	0	0	982	876
Healthcare Scientists	253	0	4	0	0	257	247
Estates and Ancillary	1,037	0	17	0	0	1,054	1,093
Students	6	0	0	0	0	6	9
Total	13,096	18	263	430	10	13,817	13,629

The data above represents an average over 52 weeks of the year and includes agency workers and specialist trainees. There has been a small increase in staff in post overall. The strategic work to reduce agency over the past 12 months has been successful along with increases in most clinical roles.

Turnover has reduced from the previous year to the pre-pandemic rates of 8.64%.

In the last 12 months staff in post has increased by 2.62%. The increases have been within Estates and Ancillary (6.17%) because of a targeted recruitment campaign that has taken place over the last 12 months to fill vacancies and reduce agency usage. Registered Nursing numbers have increased by 4.81% through an International Recruitment Campaign which has significantly reduced vacancies.

In terms of administration staff, over the past two years numbers had increased, however, this year there has been a decrease in administration resources of 80.08WTE (2%).

Staff Composition

The table below provides the breakdown of staff numbers per discipline and professional group within the Health Board.

The gender breakdown for all staff groups as of 31 March 2025 is provided below:

	2024-2025			2023-2024			2022-2023		
	Directors	WTE		Directors	WTE		Directors	WTE	%
Female	7.85	10,682	79.66%	8	10,413	79.60%	5	10,127	80.06%
Male	3	2742	20.33%	4	2669	20.40%	6	2521.5	19.94%
Total	10.85	13,424.42		12	13,082.00		11	12,648.50	

The total number of staff per discipline will differ from the staff numbers shown in the gender breakdown table as the gender figures are based on a point in time, as of 31 March 2025, whereas the staff per discipline numbers represent the average over a 52-week period of staff in post.

Sickness Absence Data

The Health Board’s sickness absence rate for 2024/2025 is 6.44%, an increase in sickness related absence from 6.10% in 2023/2024 which was a reduction in the previous year of 6.74% (2022/2023). Sickness absence remained above 6% from July 2024 to February 2025 reducing to 5.94%, in March 2025. December 2024 recorded the highest sickness absence at 7.30%.

The table below provides the sickness absence trend data for the Health Board over the last ten years.

Sickness Absence	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Days Lost (Short Term <28 days)	61261	53097	60406	54759	68229	60411	79761	98573	85948	86029
Days Lost (Long Term >28 days)	144562	147711	153345	162684	194289	188778	203781	205131	207218	223369
Total Days Lost	205823	200808	213751	217443	262518	249189	283542	303704	293166	309398
Total Staff Years	902	880	937	954	1156	1093	1249	1350	1308	1381
Average Working Days Lost	14.7	14.2	15.2	15.2	15.2	16	17.2	18	17.5	18.08
Total staff employed in period (headcount)	14020	14155	10412	14334	14835	15528	15863	16245	16735	17111
Total staff employed with no absence (headcount)	4919	5803	4848	5016	5402	6055	5710	5035	5188	4431
Percentage staff with no sick	40%	41%	37%	35%	36%	39%	36%	31%	31%	30%

Staff Policies

Aneurin Bevan University Health Board has a robust framework of Policies and Procedures to enable appropriate action in order to discharge its statutory requirements and appropriate accountability for:

- Giving full and fair consideration to applications for employment made by disabled persons or other protected characteristics, having regard to their particular aptitudes and abilities;
- Continuing the employment of and for arranging appropriate training for employees, who have become disabled persons during the period when they were employed by the company;
- For the training, career development and promotion of staff with protected characteristics persons employed by the Health Board.

Staff policies renewed or newly applied during the reporting period 01 April 2024 to 31 March 2025 include:

- All Wales Flexible Pensions Policy
- All Wales Job Evaluation Policy and Procedure
- All Wales Pregnancy Loss Support Policy
- All Wales Procedure for the Recovery of Overpayments Salary and Expenses
- All Wales Respect and Resolution Policy and Frequently Asked Questions
- Annual Leave Policy for Consultants and Senior Medical Staff
- Bilingual Skills Strategy (Welsh Language)
- Disbarring Service (DBS) Policy
- Equality, Diversity and Inclusion Policy
- Medical Appraisal Policy
- Medical Staff Private Practice Policy
- Study Leave Policy

- Shared Parental Leave Policy
- Certificate of Eligibility for Specialist Registration (CESR) Policy
- Welsh Language Primary Care Policy
- Welsh Language Protocols

All policies are developed in partnership with Trades Union colleagues and are assessed via an Equality Impact Assessment to ensure that every policy is fair and does not present barriers to participation or disadvantage any protected groups from participation.

Employee Relations Matters

Details of the number of disciplinary cases between 1 April 2024 to 31 March 2025 is provided below:

Disciplinary Cases	Dismissals	Appeals	Employment Tribunals	Upholding Professional Standards in Wales	Respect and Resolution	Capability
66	6	5	6	3	29	11

The Health Board has continued to apply the principles of its avoidable employee harm programme of work to disciplinary investigations. This programme considers the impact on the people involved and improved application of process which has seen a 70% reduction in disciplinary cases in 2024/25.

Improved initial assessments of situations have supported proportionate and appropriate management of misconduct that emphasises opportunities for learning and continuous improvement. Where applicable, alternative policies have been applied, resulting with an increase in the application of alternative policies and procedures such as respect and resolution and capability.

Payment to Past Directors

No payments have been made to any person who was not a director at the time the payment was made, but who had been a director of the Health Board previously.

Expenditure on Consultancy

Supplier	Services provided	Amount
		£p
Ideas Alliance QC	Professional fees: Consultancy services provided to support the implementation of Dementia Alliance Commissioning	12,000
Supportive Care UK	Consultant Support to the Specialist Palliative Care Service	41,975
Ernst & Young LLP	VAT Consultancy & Advisory Services	39,579
Dorset Software Services Ltd	Focus Tier Consultancy Services	285,308
OGI ITUK Ltd	GCloud Work Stream Business Case Consultancy	49,021
Public Digital Ltd	Board Development Consultancy Contract	44,400
Pam Wenger	Governance Review, fieldwork, interviews, report for Gwent Regional Partnership Board	4,000
Oxford Brookes Enterprises Ltd	Strategic Capital Development Plan 5 days work.	5,100
Total Consultancy 2024/25		481,382

Tax Assurance for Off-payroll Engagements

Table 1 : For all off-Payroll engagements as of 31 March 2025

No. of existing Engagements as of 31 March 2025	2
Of which, the number that have existed:	
for less than one year at time of reporting	1
for between one and two years at time of reporting	0
for between two and three years at time of reporting	0
for between three and four years at time of reporting	0
for four or more years at time of reporting	1

Table 2 : For all new off-Payroll engagements between 1 April 2024 and 31 March 2025

Number of new engagements between 1 April 2024 and 31 March 2025	3
Of which...	
No. assessed as caught by IR35	0
No. assessed as not caught by IR35	3
No. engaged directly (via contracted to department) and are on the departmental payroll	0
No. of engagements reassessed for consistency/assurance purposes during the year	0
No. of engagements that saw a change to IR35 status following the consistency review	0

Exit Packages and Severance Payments

9.5 Reporting of other compensation schemes - exit packages					
9.5.1 Exit Packages Costs and Numbers					
	2024-25	2024-25	2024-25	2024-25	2023-24
Exit packages cost band (including any special payment element)	Number of compulsory redundancies	Number of other departures	Total number of exit packages	Number of departures where special payments have been made	Total number of exit packages
	Whole numbers only	Whole numbers only	Whole numbers only	Whole numbers only	Whole numbers only
less than £10,000	0	1	1	0	0
£10,000 to £25,000	0	0	0	0	1
£25,000 to £50,000	0	0	0	0	0
£50,000 to £100,000	0	0	0	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	0	1	1	0	1
	2024-25	2024-25	2024-25	2024-25	2023-24
Exit packages cost band (including any special payment element)	Cost of compulsory redundancies	Cost of other departures	Total cost of exit packages	Cost of special element included in exit packages	Total cost of exit packages
	£	£	£	£	£
less than £10,000	0	7,500	7,500	0	0
£10,000 to £25,000	0	0	0	0	24,254
£25,000 to £50,000	0	0	0	0	0
£50,000 to £100,000	0	0	0	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	0	7,500	7,500	0	24,254
Total Exit Costs Paid in Year			Total paid in year		Total paid in year
			2024-25		2023-24
			£		£
Exit costs paid in year			7,500		24,254
Total			7,500		24,254

Redundancy and other departure costs have been paid in accordance with the provisions of the NHS Voluntary Early Release Scheme (VERS).

Where the LHB has agreed early retirements, the additional costs are met by the LHB and not by the NHS Pensions Scheme. Ill-health retirement costs are met by the NHS Pensions Scheme and are not included in the table.

The Health Board has not approved any VERS in 2024-25.

Additional requirement as per FreM

£0.00 exit costs were paid in 2024-25, relating to 2023-24 (the year of departure).

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Regularity of Expenditure

Regularity of Expenditure Regularity is the requirement for all items of expenditure and receipts to be dealt with in accordance with the

legislation authorising them, any applicable delegated authority and the rules of Government Accounting.

Aneurin Bevan University Health Board ensures that the funding provided by Welsh Ministers has been expended for the purposes intended by Welsh Ministers and that the resources authorised by Welsh Ministers to be used have been used for the purposes for which the use was authorised.

The Health Board's Chief Executive is the Accountable Officer and ensures that the financial statements are prepared in accordance with legislative requirements and the Treasury's Financial Reporting Manual. In preparing the financial statements, the Chief Executive is required to:

- observe the accounts directions issued by Welsh Ministers, including the relevant accounting and disclosure requirements and apply appropriate accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards have been followed and disclosed and explain any material departures from them; and
- prepare them on a going concern basis on the presumption that the services of the Health Board will continue in operation.

Fees and charges

Where the Health Board undertakes activities that are not funded directly by the Welsh Government the Health Board receives income to cover its costs which will offset expenditure reported under programme areas. Miscellaneous Income can be seen in Note 4 (page XX) of the Annual Accounts 2024/25. When charging for this activity the Health Board has complied with the cost allocation and charging requirements set out in HM Treasury guidance.

The Health Board incurred costs amounting to £0.446m for the provision of the statutory audit by the Wales Audit Office.

Managing public money

This is the required Statement for Public Sector Information Holders as referenced in the Directors' Report. In line with other Welsh NHS bodies, the Health Board has adopted standing financial instructions which enforce the principles outlined in HM Treasury guidance 'Managing Public Money' which sets out the main principles for dealing with resources in the UK public sector. As a result, the Health Board should have complied with the cost allocation and charging requirements of this guidance. The Health Board has not been made aware of any instances where this has not been done.

Remote Contingent Liabilities

This disclosure was introduced for the first time in 2015-16. It shows those contingent liabilities that are deemed to be extremely remote and have not been previously disclosed within the normal contingent liability note within the accounts.

The remote contingent liabilities cost consists of 3 medical negligence cases and 1 personal injury case in 2024-25 (3 medical negligence cases and 1 GP indemnity case in 2023-24). Should these cases progress the majority of the costs incurred, in excess of £25K per case attributable to the Health Board, will be recovered from the Welsh Risk Pool.

Nicola Prygodzicz
Chief Executive

Date: XX July 2025

**THE CERTIFICATE AND INDEPENDENT AUDITOR'S REPORT OF THE
AUDITOR GENERAL FOR WALES TO THE SENEDD**

TO BE ADDED WHEN RECEIVED

CYFARFOD BWRDD IECHYD PRIFYSGOLN ANEURIN BEVAN ANEURIN BEVAN UNIVERSITY HEALTH BOARD MEETING

DYDDIAD Y CYFARFOD: DATE OF MEETING:	20 May 2025
CYFARFOD O: MEETING OF:	Audit, Risk and Assurance Committee
TEITL YR ADRODDIAD: TITLE OF REPORT:	Draft Annual Accounts 2024/25
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Rob Holcombe, Director of Finance, Procurement and Value Based Health Care
SWYDDOG ADRODD: REPORTING OFFICER:	Robert Jones, Assistant Finance Director – Financial Systems and Services

Pwrpas yr Adroddiad (dewiswch fel yn addas)

Purpose of the Report (select as appropriate)

Er Sicrwydd/For Assurance

ADRODDIAD SCAA SBAR REPORT

Sefyllfa / Situation

This report gives an overview of the accounts for the full year to 31 March 2025 for Aneurin Bevan University Health Board. The accounts are prepared under International Financial Reporting Standards (IFRS).

The report supports the accounts (attached) and describes the reasons for key movements in the figures between 2023/24 and 2024/25.

The accounts are draft at this stage and subject to audit.

The Audit, Risk & Assurance Committee is asked to note this report.

Cefndir / Background

The production of annual accounts is a statutory requirement for the Health Board. Timescales for production are set by Welsh Government (WG). The draft accounts

were submitted on time to WG on 2nd May. The final audited and signed accounts are to be submitted by 30th June.

The Audit, Risk & Assurance Committee have received updates on the planning process for producing this year's accounts. The accounts were delivered in line with the plan and the external audit is now well underway.

Asesiad / Assessment

1. Financial Performance and Financial Results

KPI	2022/23 £000	2023/24 £000	2024/25 £000	Commentary
Deliver Against Revenue Resource Limit	(36,842)	(49,754)	(7,185)	Not achieved, but improving
Breakeven over a rolling three-year period	(36,348)	(86,359)	(93,793)	Not achieved
Deliver Against Capital Resource Limit	43	41	66	Achieved
Pay 95% non-NHS trade creditors within 30 days	95.2%	97.4%	97.7%	Achieved
Hold a year end cash balance not exceeding £6m	£4.704m	£4.145m	£4.823m	Achieved

The Health Board has two statutory financial duties:

- To breakeven over a rolling three-year period.
- To submit an Integrated Medium-Term Plan (IMTP) to secure compliance with breakeven over three years.

Under the rolling 3-year duty, introduced with the NHS (Wales) Act 2014, the first assessment of the first statutory financial duty took place at the end of 2016/17 when it was achieved. The Health Board has **not met** its financial duty to breakeven against its Revenue Resource Limit over 3 years 2022/23 to 2024/25.

In relation to the second duty, the Health Board was unable to submit a balanced Integrated Medium-Term Plan for the period 2024-2027 in accordance with NHS Wales Planning Framework. The note in the accounts shows that this duty was **not achieved**. (Note 2.3.)

Revenue Resource Performance (Note 2.1, Page 28)

The Health Board improved the deficit position to £7.185m in 2024/25 from £49.754m, however did not meet its Revenue Resource Limit for the year in delivering this overspend. The Health Board received additional funding totalling



£40.5m in 2024/25 with an associated overspend control limit of £7.3 set by WG. The control limit was achieved and improved upon.

In January 2024, the HB was escalated from enhanced monitoring to targeted intervention/level 4 for finance, strategy and planning.

Against the breakeven duty over a rolling three-year period, the Annual Accounts 2024/25 reported an overspend of £93.793m as shown in the table below:

3-year revenue breakeven duty	2022/23 £000	2023/24 £000	2024/25 £000	Total £000
Underspend/(overspend) against allocation	(36,842)	(49,754)	(7,185)	(93,793)

The Health Board submitted an Annual Plan for 2025/26 with a 3-year intent to get back to a sustainable, breakeven position in the 3-year period.

Capital Resource Performance (Note 2.2, Page 28)

In addition to a revenue resource limit the Health Board has a capital resource limit (CRL) that sets the target for capital expenditure. The target of £70.475m was **achieved** in 2024/25 with a small underspend of £0.066m. The target is measured over a 3-year period as shown in the table below:

3-year capital breakeven duty	2022/23 £000	2023/24 £000	2024/25 £000	Total £000
Underspend against allocation	43	41	66	150

Public Sector Payment Policy (Note 2.4, Page 29)

The Health Board is required to pay at least 95% of its non-NHS trade creditors within 30 days. The target was **achieved** with full year figure of 97.7%, reflecting the best performing Health Board in Wales for 2024/25.

Cash Balance (Statement of Cash Flows, Page 7)

WG sets a notional target for Health Boards to have end of period cash balances not exceeding £6m. The actual cash balance was £4.823m and therefore the target was **achieved**.



2. Commentary Supporting Significant Movements to Previous Year's Annual Accounts

This year has been challenging for the NHS and our wider communities. Several significant factors have impacted our accounts, contributing to the reported overspend of £7.2m. The following section outlines significant movements that have contributed to this position:

2.1 Expenditure on Primary Healthcare Services (Note 3.1, Page 30)

Line	Note	2024/25 £'m	2023/24 £'m	Change £'m	Change %
Expenditure on Primary Healthcare Services	3.1 Pg 30	351.9	325.3	+26.6	8.1%

Overall expenditure on Primary Healthcare services has increased by £26.6m.

In 2024/25 WG introduced a technical change to the reporting of expenditure of Primary Healthcare services in Note 3.1 as part of the Manual for Accounts. In prior years, income received in relation to Primary Healthcare services was included as the net figure under Note 3.1. From 2024/25, WG have requested that organisations report Primary healthcare services income within Note 4 – Miscellaneous Income.

The table below identifies the impact of this technical change on Note 3.1:

Note 3.1	Total 2024/25 £M	Income Adjustment to Note 4.1 £M	Comparable Total 2024/25 £M	Total 2023/24 £M	Movement £M
General Medical Services	132.7	- 1.6	131.1	122.7	8.4
Pharmaceutical Services	29.2	- 0.5	28.7	25.8	2.9
General Dental Services	44.4	- 1.5	42.9	39.9	3.1
General Ophthalmic Services	15.1	- 0.0	15.1	10.7	4.4
Other Primary Health Care expenditure	4.7	-	4.7	4.4	0.4
Prescribed drugs and appliances	125.8	- 2.3	123.5	121.9	1.6
Total	351.9	- 5.8	346.1	325	21

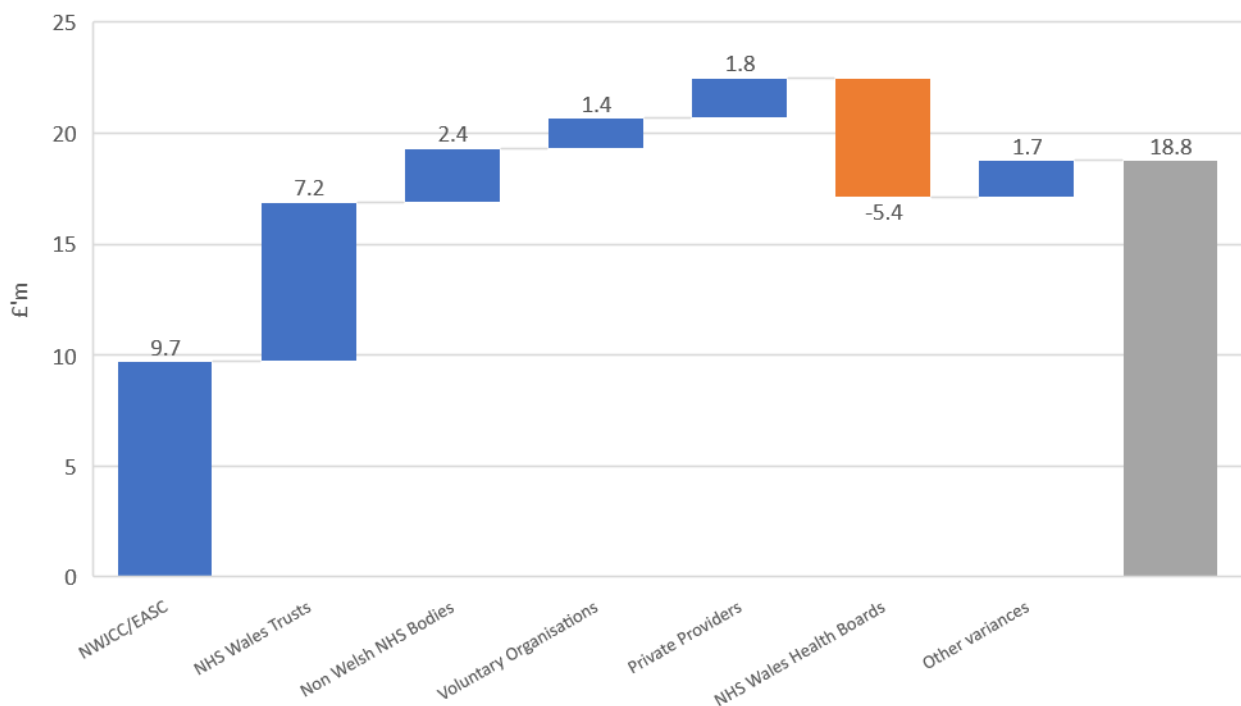
General Medical Services £8.4m - The increase is due to an increase in general costs pressures through the GMS contract which is directly funded through additional allocation received totalling £9m, an increase in staffing provision for the GP OOH services of £1.1m, which were offset by a reduction in spend of £1.7m in relation to Managed Practices.

Pharmaceutical Services £2.9m – This is due to an increase in the professional fees by pharmacy contractors which was supported by a funding allocation received of £2m, in addition to changes in activity by pharmacists resulted in increases totalling £0.7m.



General Ophthalmic Services £4.4m – As a result of the new Optometry contract, n implemented in 2024/25, there has been an increase of £3m in relation to Optician sight test fees due to an increase in the fee rates and new services, also increases of £0.8m in relation to Eye Health Examination Wales and £0.5m on Optometry training costs.

Line	Note	2024/25 £'m	2023/24 £'m	Change £'m	Change %
Expenditure on Healthcare from other providers	3.2 Pg 30	527.2	508.4	+18.8m	4%



NWJCC (incl EASC) (£9.7m increase)



The increase in NWJCC spend reflects the Commissioning Plans agreed by Chief Executives. Notable increases in expenditure include:

- £7.2m annual plan investment
- £6.2m of pay award costs (Welsh Government funded),
- £1.2m of activity overperformance
- £3.4m of Welsh Government pass through allocations
- £1.8m transfer of 111 Service to the EASC portfolio

These increases have been offset by the transfer of non-Specialised cancer services which were previously part of the NWJCC portfolio being transferred to Velindre NHS Trust. This has decreased NWJCC expenditure by £10.1m (and subsequently increased Velindre NHS Trust expenditure by £10.1m).

NHS Wales Trusts (£7.2m)

An increase of £7.2m mainly due to the aforementioned transfer of non-specialised cancer services from the NWJCC portfolio to Velindre NHS Trust, which increased the LTA by £10.1m.

There was also an increase of £4.5m in NICE drugs costs and further increases of £1.9m with Velindre NHS Trust in relation to inflationary uplifts.

These increases were offset by a significant decrease in expenditure of £9.7m in relation to the 111 project with NHS Wales Trusts. The project was hosted by the Health Board until 31st March 2024.

Other Non-Welsh NHS Bodies (£2.4m increase)

An increase of £2.4m with other Non-Welsh NHS bodies, significant items being:

- £0.5m inflationary uplift applied to the LTAs with provider bodies.
- £0.7m increase in costs with Wye Valley Trust as a result of a significant increase in the volume of elective and emergency activity, as well as critical care cases.
- £0.4m increase in costs with North Bristol NHS Trust due to an increase in emergency activity costs recharged and the volume of elective activity.

Voluntary Organisations

The increase of £1.4m on Voluntary Organisations is mainly due to Regional Partnership Board expenditure which increased by £1m in 2024/25 and a £0.25m increase in the SLA with St Davids Foundation.

Private Providers

Expenditure on Private Providers increased by £1.8m in the year, due to the following:

- £6.3m increase on External Commissioning, due to a WG funded increase to support the outsourcing of regional Ophthalmology activity for cataract treatment.
- £0.7m increase due to an insourcing solution provided by Healthcare Business Solutions in relation to ENT clinics.
- £1.8m decrease due to termination of an outsourced activity contract with Source Bioscience UK Ltd



- £4m decrease in expenditure by the Regional Partnership Board with private providers, specifically Melin Homes, which was matched by a similar reduction in income.

NHS Wales Health Boards

There was an overall decrease of £5.4m with the other NHS Wales Health Boards.

The main cause of this decrease was as a result of the above mentioned 111 project, which caused expenditure to decrease by £3.3m.

The other major decrease was a reduction of £2.2m in the LTA with Cwm Taf Morgannwg Health Board. Following a review of the LTA, it was identified that emergency activity included in the contract was not being undertaken, the Health Board successfully negotiated a contract activity and financial reduction to the LTA.

2.3 Expenditure on Hospital and Community Health Services (Note 3.3, Page 31)

Line	Note	2024/25 £'m	2023/24 £'m	Change £'m	Change %
Expenditure on Hospital and Community Health Services	3.3 Pg 31	1,177.2	1,105.3	+71.9	6.5%

The increase in expenditure can be broken down by:

- Staffing & Pay Expenditure (See section 2.3.1 below)
- Non-Pay Expenditure (See section 2.3.2 below)
- Non-Cash Expenditure (See section 2.3.3 below)

2.3.1 Staffing & Pay Expenditure (Note 3.1, Page 30 and Note 3.3, Page 31)

Staffing costs are included in both Note 3.1 and Note 3.3 of the Accounts. The most significant movements relate to the funded pay award, the increase in the Notional Pension contributions and the decrease in staff numbers in relation to agency staff.

The following Table shows an analysis of underlying staff costs for the year followed by some key points:



Staff Costs	2024/25 £M	2023/24 £M	Movement £M	2023/24 Movement £M
Directors Costs	3	2	1	(0)
Staff Costs Note 3.1 & 3.3	857	810	48	60
Single Lead Employer	43	32	11	2
Total Pay as per Note 9.1	903	844	59	63
Reasons for Increase				
Agency Costs			(13)	(19)
Increase in No. Permanent Staff			13	16
Increase in No. SLE Staff			3	2
Pay Award costs as per modelling			47	56
Employers Contribution to Pension Scheme - 9.4% increase			20	4
Impact of Strike Action			0	2
Reduction in Primary Care Staffing (Managed Practices)			(9)	(0)
Reduction in Secondments/ Other Staff			(1)	0
Other			0	2
Adjusted for Comparison			59	63

Of the significant increases the following should be noted:

Agency Staff (£13m decrease)

The HB have undertaken a number of initiatives during the year resulting in decrease in agency expenditure, including: -

- Overall Health Board strategy to reduce the requirement of agency staff.
- Reduction in HCSW agency as part of the variable pay reduction plans.
- Patient safety reviews reducing the level of enhanced care requirement resulting in reduced agency spend.
- Reduced nursing agency by improved recruitment and increased substantive posts.
- Enhanced Cleaning and other facilities agency expenditure decreases linked to substantive appointments but also due to specific savings opportunities.
- Medical agency decreases linked to savings and efficiency plans.

The net effect being a reduction in FTE from 437 to 263 (40%) and a decrease in costs of £13.36m from £42,328m to £28,973m (31%).



Staffing Group	2024/25 Expenditure £000	2023/24 Expenditure £000	2024/25 Average WTE	2023/24 Average WTE
Administrative, Clerical and board members	93	705	2	6
Medical and dental	11,618	14,664	49	73
Nursing, midwifery registered	12,789	17,704	146	196
Professional, Scientific, and technical staff	532	317	5	3
Additional Clinical Services	882	1,891	17	37
Allied Health Professions	2,017	1,831	23	19
Healthcare Scientists	392	402	4	5
Estates and Ancillary	649	4,814	17	98
Total	28,973	42,328	263	437

Staff Costs (£13m increase)

The reduction from agency is then partly offset by an increase in staff, with an additional 188 WTE and an average total cost of employment of £69k:

Average Number of Employees	2024/25	2023/24	Variance
Administrative, Clerical and Board Members	2,722	2,761	(39)
Medical & Dental	1,339	1,338	1
Nursing, Midwifery registered	4,121	4,012	109
Professional, Scientific, and Technical staff	433	452	(19)
Additional Clinical Services	2,903	2,841	62
Allied Health Professions	982	876	106
Healthcare Scientists	257	247	10
Estates and Ancillary	1,054	1,093	(39)
Students	6	9	(3)
Total	13,817	13,629	188

Pay award costs (£47m)

Reflecting A4C increases approved nationally during the year.

Employer Contribution to pension scheme (£20m)

In 2024/25 the employers' pensions contribution increased from 20.68% to 23.78%. The Health Board continue to pay the first 14.38% of employers' contribution, with Welsh Government paying the additional sum of 9.4%. To ensure that this cost was reflected in the Health Boards accounts a notional adjustment was actioned in month twelve to account for this with funding allocated. The value of the 9.4% pension increases in 2024/25 was £51.784m (2023/24 - £32.065m, a change of £20m). The other side of this transaction is shown in note 28 under other cash flow adjustments.

Staffing Group	2024/25 Expenditure £000	2023/24 Expenditure £000	2024/25 Average WTE	2023/24 Average WTE
Administrative, Clerical and board members	93	705	2	6
Medical and dental	11,618	14,664	49	73
Nursing, midwifery registered	12,789	17,704	146	196
Professional, Scientific, and technical staff	532	317	5	3
Addittional Clinical Services	882	1,891	17	37
Allied Health Professions	2,017	1,831	23	19
Healthcare Scientists	392	402	4	5
Estates and Ancilliary	649	4,814	17	98
Total	28,973	42,328	263	437

Agency costs in the tables above are included in notes 3.1 (page 30) and 3.3 (page 31).

2.3.2 Non-Pay Expenditure (Note 3.3, Page 31)

Line	Note	2024/25 £'m	2023/24 £'m	Change £'m	Change %
Non-Pay Costs	3.3 Pg 31	235.4	220.9	14.5	6.6%

Overall, non-pay costs (within Note 3.3) have increased by 6.6%. This exceeds the average rate of inflation for the UK of 3.4% (CPIH). This reflects the cost pressures seen in the goods and services procured by the trust such as Pharmaceuticals which have risen far more than average inflation. The table below, and supporting narrative highlight the significant pressures incurred:

Non Pay Analysis	2024/25 £M	2023/24 £M	Movement £M
Expenditure on Hospital & Community Services	1,177.2	1,105.3	
Less Director & Staffing Costs	888.9	821.2	
	288.3	284.1	
Exclude Non-Cash Items			
Depreciation	-46.1	-47.5	
Amortisation	-2.0	-2.3	
Impairments	-1.8	-10.2	
Losses	-3.1	-3.2	
Total Non-Pay Expenditure	235.3	220.9	14.5

Within the movement of £14.5m there are two main drivers:

- Supplies and Services – Clinical of £12.8m; and
- Premises of £2.3m

Which are discussed in more detail below.

Supplies & Services – Clinical (£12.8m increase)

Clinical Supplies and Services have increased by £12.8m (2022/23: £143.6m vs 2024/25 £143.6m), an increase of 9.7%, comprising:



- £6.0m in drugs costs due to an increase in the general costs of drugs above the average rate of inflation & specialist haematology drugs
- £2.6m in Medical & Surgical Equipment – Disposable
- £1.7m in FP10s drugs
- £1.5m in Medical & Surgical Equipment – General
- £0.65m in purchase of patients' appliances & pacemakers
- £0.35m Other increases and decreases in spend

Premises (£2.3m increase)

The premises category includes expenditure on areas such as Utilities and Business Rates and also the Rent charges for the Health Board's various sites, in addition to other equipment and materials purchases.

There was an increase from £43.9m in 2023/24 to £46.3m in 2024/25. This is an increase in the year of £2.35m, which was due to:

- £1.4m on Computer Software/License Fees, the largest two being due to new Video Conferencing Software (£0.5m) and the EPMA project (£0.47m).
- £0.8m on Engineering Contracts
- £0.7m on Business Rates

Offset by:

- £0.7m decrease in Building Materials

Other

There were minor fluctuations in the other expenditure categories from 2023/24 to 2024/25 as follows:

- £0.5m increase in Supplies & Services General
- £0.8m decrease in Establishment costs
- £0.3m in Other Expenditure

2.3.3 Non-Cash Expenditure (Note 3.3, Page 31)

Depreciation

Depreciation has reduced overall by £0.77m compared to 2023/24. This is the net result of a combination of factors, including an increase of £0.57m related to buildings indexation uplifts applied as at 1st April 2024, and a decrease of £1.34m related to non-property assets.

Fixed Asset Impairments

A detailed analysis of impairment charges is shown in the table below.



Fixed Asset Impairments and Reversals	£m	Reason for impairment
19 Hills HWBC (Newport East)	12.142	Assets Valued on Coming Into Use
Glan Usk Roof, St Cadocs Hospital	0.878	Assets Valued on Coming Into Use
CAMHS, St Cadocs Hospital	0.871	Assets Valued on Coming Into Use
GUH Discharge Lounge	0.797	Assets Valued on Coming Into Use
B Block Infrastructure, RGH	0.466	Assets Valued on Coming Into Use
Ty Gwent	0.443	Assets Valued on Coming Into Use
Cordell Centre, RGH	0.243	Assets Valued on Coming Into Use
D7W Ward Refurb, RGH	0.142	Assets Valued on Coming Into Use
19 Hills HWBC (Newport East)	0.236	Loss or damage from normal operations
Grange University Hospital	-6.456	VAT Recovery adjustment - no reduction to asset value
Reversals of Impairment	-7.945	Indexation Gains - reversal of impairment in previous years
Total Impairment	1.817	

Research & Development

The following note will be added to the final accounts at the bottom of Note 3.3, in relation to Research and Development in line with a request by WG.

"The Health Board Spent £2.8m (£2.9m 2023/24) on Research and Development. The majority of this spend relates to staff £2.2m (£2.3m 2023/24) which along with the non-staff spend is reflected under the various headings within note 3.3. During 2024-25 Research and Development income received was £2.6m (£2.7m 2023/24)."

2.4 **Losses, special payments, and irrecoverable debts: charges to operating expenses (Note 3.4, Page 31)**

Line	Note	2024/25 £'m	2023/24 £'m	Change £'m	Change %
Losses, Special Payments and Irrecoverable Debts: Charges to Operating Expenses	3.4 Pg 31	3.1	3.6	(0.5)	(14%)

The £3.1m can be reconciled to the following movements:

	£48.9m	Cases arising (£24.9m) and revised in year (£24m) as set out in Note 20
	(£42.1m)	Reduced provisions based on latest legal assessment on existing cases and cases closed in year without loss, the largest being a single case with provision of £30m reduced to £20m on the latest Welsh Risk Assessment.



	(£3.8m)	a further reduction due to a structured settlement case as set out in note 20
Total Clinical Negligence movement	£3.0m	Net movements charged to expense due to Clinical Negligence cases
Less income received	(£3m)	Income received from the Welsh Risk Pool for Clinical Negligence
Plus		
	£0.5m	Personal injury has increased by £0.5m in 2024/25 based on the quantum reports provided at the end of March 2025. Again, this is largely offset by movement in income received/receivable from WRP.
	£1.0m	All other losses and special payments increased in year by £1m mainly due to the provision in relation to the Health and Safety Executive potential fine.
	£1.5m	Defence costs to support the above claims

2.5 **Miscellaneous Income (Note 4, Page 32)**

Line	Note	2024/25 £'m	2023/24 £'m	Change £'m	Change %
Miscellaneous Income	4 Pg 32	136.6	121.9	14.6	12%

Reclassification of Primary Healthcare Services Income

As detailed above, in accordance with the revised Manual for Accounts, in 2024/25 the income relating to Primary Healthcare was moved from Note 3.1 – Expenditure on Primary Healthcare Services to Note 4 – Miscellaneous Income.

This change has resulted in an increase of £5.8m to this category, and therefore the underlying movement between 2023/24 and 2024/25 is £8.8m:

Note 4 Misceallenous Income	2024/25 £000	Primary Healthcare Adjustment £000	Revised 2024/25 £000	2023/24 £000	Variance £000
Total	136,606	- 5,843	130,763	121,956	8,807

The £5.8m increase can be attributed across the following expenditure categories:



Adjusted Line	2024/25 £000	Adjusted re Primary Care Income £000	Revised 2024/25 £000
NHS Wales trusts	17,702	- 3,203	14,499
Welsh Special Health Authorities	17,508	- 113	17,395
Other NHS England bodies	2,975	- 92	2,883
Local authorities	21,289	- 86	21,203
Non NHS:			-
Prescription charge income	3	- 3	-
Other income from activities	2,528	- 1,367	1,161
Education, training and research	2,982	- 969	2,013
Other income:		-	-
Other	14,099	- 10	14,089
Total - Impacted lines	79,086	- 5,843	73,243

Taking the underlying movement of £8.8m, the main reason for this variance is explained by:

Local Health Boards

an increase of £2.3m in 2024/25 due to:

- £1m increase in income from Powys Teaching Health Board, due to an increase in the LTA.
- £1m increase in Cwm Taf Morgannwg Health Board income, mainly due to recharges in relation to Regional Ophthalmology funding.
- £0.2m increase in Cardiff & Vale income due to recharges in relation to Regional Ophthalmology funding.

Welsh NHS Trusts

An increase of £3.1m in 2024/25 mainly due to:

- £1.9m increase of income with Public Health Wales NHS Trust, mainly due to £0.7m in relation to reimbursements for the 111 Hub staffing costs, and a further £0.5m in relation to TEC Cymru video conferencing services procured prior to transfer.
- £0.7m increase in Pharmacy Rebate income from NWSSP as a consequence of changes relating to WP10s resulting in higher rebate claims in 2024/25.

Welsh Special Health Authorities Income

An increase of £1.6m in 2024/25 mainly due to:

- £0.9m increase in PGMDE & Junior Doctors income received from HEIW in relation to the pay award.
- £0.5m increase EPU income as a result of an increase in student numbers.

Other NHS England Bodies

An increase of £1.5m mainly due to:

- £1m anticipated income from West Sussex ICB because of the successful legal challenge for a CHC Patient.
- £0.4m increase in non-contract activity income.



Other Income

An overall decrease of £1.4m, due to:

- £3.7m decrease in Regional Partnership Board income as a result of a change in the funding mechanism in 2024/25 with the Program Managed funds being fully utilised.
- £1.2m increase in salary sacrifice income due to an increased take up of the schemes by Health Board employees.

2.6 Fair Pay disclosure Remuneration Relationship (Note 9.6.1, Page 38)

Line	Note	2024/25 £	2023/24 £	Change £	Change %
Chief Executive Pay	3.1 Pg 30	242,500	227,500	15,000	6.6%
Median Employee Average Salary	9.6.1 Pg 38	37,030	35,922	1,108	3.1%
Highest Paid Employee	9.6.1 Pg 38	458,632	382,528	76,105	19.9%
Ratio of Chief Executive to Average Employee	9.6.1 Pg 38	6.3	6.5	-	3.2%
Average Salary Percentage Change	9.6.2 Pg 38	5%	7%	(2%)	-

The Health Board introduced apprenticeships in 2022/23 for the first time which resulted in the lowest level of remuneration reducing from £19K in 2021/22 which was the bottom of the A4C pay scales to £14K in 2022/23. In 2024/25 this has increased to £17K which relates to the apprentice rate.

The highest paid director was the Chief Executive Officer, the highest paid Health Board employee was a consultant earning £459K in 2024/25.

2.7 Percentage Changes (Note 9.6.2, Page 38)

The 7% increase related to the increase of the median point of the chief executive pay from £227,500 to £242,500. The 5% increase related to the average salary increasing from £42,960 in 2023/24 to £44,968 in 2024/25 mainly due to the annual pay award.

2.8 Prompt payment policy – measure of compliance (Note 10.1, Page 41)

The Health Board achieved the target to pay 95% on non-NHS Creditors within 30 days of delivery, with a cumulative total of 97.7% in 2024/25. This was a slight improvement of the 97.4% achieved in 2023/24,

The total number of Non-NHS invoices processed has decreased by 26,763 from 2023/24 to 2024/25. This is mainly due to a decrease in agency spend of £13m.



2.9 Property, Plant and Equipment (Note 11.1, Pages 4 and 42)

Line	Note	2024/25 £'m	2023/24 £'m	Change £'m	Change %
Property, Plant and Equipment	11.1 Pgs 4 and 42	927.5	892.8	34.7	3.9%

The main changes in the year can be summarised as follows:

Property, Plant & Equipment	£m
Balance as at 1 April 2024	892.8
Indexation	5.643
Additions	63.68
Reclassification	0
Revaluations	9.531
Impairments	-16.2
Reversals of Impairments	14.4
Depreciation	-42.2
Disposals	-0.04
Transfers	-0.03
Balance at 31 March 2025	927.5

The key movements in the year relate to:

- The additions of £63.679m relate to general capital expenditure and specific Capital Programme investments including:
 - Bevan (Tredegar) Health and Well-being centre (£2.150m)
 - 19 Hills (Newport East) Health & Well-being Centre (£12.350m)
 - NHH Satellite Radiotherapy Unit and Enabling Works (£14.721m)
 - Grange Emergency Department extension (£8.755m)
 - Head lease purchase for Chepstow community Hospital (£5.443m).
- There has been an overall increase of £13.587m to land and buildings values from the application of indexation based on indices received from the VOA, applied at 1st April 2023. A further reversal of impairment of £6.456m in relation to the VAT recovery adjustment for the Grange University scheme which was finalised with HMRC in year, giving a total of £20.044m The increase is shown either against indexation (£5.463m) or, for those assets that have been impaired previously, reversals of impairment (£14.4m).
- the impairment of £16.218m relating to schemes at five sites including 19 Hills (Newport East) Health and Well-being Centre, St Cadoc's Hospital, Royal Gwent Hospital, Ty Gwent Offices and Grange University Hospital following the revaluation of buildings required when bringing each asset under construction into use.
- a revaluation increase of £9.531m following the purchase of Chepstow Community Hospital head lease and Llanwenarth Suite at Nevill Hall Hospital on conclusion of the related PFI contracts.
- Depreciation charges of £42.231m.



There were no assets held for sale as at 31st March 2025.

Asset lives are applied in line with the policy in the manual for accounts and are reviewed annually. Where there is evidence that standard lives have changed (e.g., due to legislation), the lives are adjusted. Fully depreciated assets are carried at nil net book value.

2.10 Right of Use Assets (Note 11.3, Page 46)

Line	Note	2024/25 £'m	2023/24 £'m	Change £'m	Change %
Right of Use Assets	11.3 Pg 45	18.1	17.4	0.7	4.3%

Right of Use assets are leases / contracts that convey the right to use an asset for a period of time in exchange for consideration. The Health Board applies an exemption, and therefore does not capitalise, leases that are less than 12 months in duration or where the underlying asset is of a value less than £5,000. Leases that are not excluded by the exemption rules are recorded in the balance sheet as a "Right of Use" asset with a corresponding liability for outstanding payments. The assets are depreciated over the term of the lease.

The main changes in the year can be summarised as follows:

ROU Assets	£m
Balance as at 1 April 2024	17.37
Additions	6.153
Transfers	-0.045
Disposals other than by sale	-1.461
Depreciation in year	-3.896
Net Book Value at 31 March 2025	18.12

The key movements in year relate to:

- New leases were approved in year totalling £6.153m including the Urology Surgical Robot (£1.320m), the reinstatement of five managed practice leases (Aberbeeg Medical Centre, Brynmawr Medical Centre, Markham Medical Centre, Blaenavon Primary Care Resource Centre, and Bryntirion Surgery - £3.733m), other existing property lease extensions and rent increases (£0.420m), Vehicle leases (£0.183m) and various equipment leases (£0.498m).
- Disposals in year of £1.461m including the termination of the Urology Surgical Robot lease following the purchase of the equipment (£1.166m) and other term and rent reductions relating to property leases (£0.295m).
- A transfer of a lease to Public Health Wales (£0.045m).
- Depreciation charges in year of £3.896m.

The Right of Use Liabilities as at 31st March 2025 are detailed below:



2.12 Trade and Other Payables (Note 18, Pages 4 and 57)

Line	Note	2024/25 £'m	2023/24 £'m	Change £'m	Change %
Trade and other payables	18 Pgs 4 and 57	221.0	218.0	+3.0	1.4%

Trade and other payables have increased by £3m from £218m in 2023/24 to £221m in 2024/25. This is mainly due to the following:

NHS Wales Joint Commissioning Committee (NWJCC)

A decrease of £0.9m due to the value of the year-end settlement agreement in 2024/25 compared to 2023/24.

Welsh NHS Trusts

An overall decrease of £1.5m, mainly due to outstanding creditor transactions in 2023/24 from Welsh Ambulances Service NHS Trust totalling £1.4m in relation to the 111 project. The hosting of the 111 project was transferred from Aneurin Bevan in 2024/25, and consequently these creditor transactions did not exist.

Taxation and Social Security payables

An in-year increase of £1.2m, due to the increase in National Insurance contributions in 2024/25.

Non-NHS Payables – Revenue

An overall increase of £2.3m, mainly attributable to an increase in the Primary Care services creditors at year end as below:

- £0.5m increase on Dental Contractor Services from £2.6m to £3.1m
- £0.2m increase on GMS Drugs from £0.6m to £0.8m
- £1.3m increase on Pharmacy Contractor from £12.6m to £13.9m

Local Authorities

An overall decrease of £3.2m mainly due to the value of creditors outstanding in relation to the Regional Partnership Board in 2024/25.

Capital Payables - Tangible

An increase of £2.2m in year due to the value of creditor invoices outstanding at year end, which were not paid due to the timing of the receipt of the invoices.

Non-NHS Accruals

An overall increase of £2.9m, mainly due to:

- £2m increase in External Commissioning accruals for Regional Ophthalmology
- £0.9m increase in CHC Mental Health accruals between 2023/24 and 2024/25

Imputed finance lease element of on SOFP PFI Contracts

A decrease of £0.5m, as a result of the 2 PFI contracts coming to an end in 2024/25, and therefore no future liability required, in comparison to 2023/24.



Non-Current ROU Lease Liability

This increased by £0.5m in year. See table under the ROU section above.

2.13 Provisions (Note 20, Page 59)

Line	Note	2024/25 £'m	2023/24 £'m	Change £'m	Change %
Provisions	20 Pg 59	198.7	213.3	(14.6)	(6.8%)

Provisions for clinical negligence and personal injury have decreased by £14.6m from £213.3m in 2023/24 to £198.7m in 2024/25 reflecting up to date legal assessment of pending litigation claims against the Health Board. Most of this decrease is offset by an equal level of decreased assumed income from the Welsh Risk Pool.

Current Provisions – increase of £26m

Comprising the £24m outlined in note 3.4 above relating to net risk pool adjustments. With £4m transferred to WRP for additional settlements. This is then offset by a reduction in provision by £2m for amounts agreed and transferred to creditors not yet paid.

Non-Current provisions – decrease of £40m

The decrease in Non-Current Provision relates in the main to a decrease in Clinical Negligence cases which have been assessed and a provision provided based on the latest information as at 31.03.2025.

From 2023/24 to 2024/25 the number of clinical negligence cases increased from 243 to 269, with personal injury cases increasing from 81 to 84 and redress cases decreasing from 33 to 19. Although the number of actual cases has increased for clinical negligence and personal injury cases the total provision required has reduced based on the current legal assessment.

Other provisions have increased from £8.2m in 2023/24 to £9.0m in 2024/25 mainly relating to increased GP/Dental Annual leave provision, a new provision for a Health and Safety Executive claim, release of VAT related provisions in year and the utilisation of part of the capital provision in year in relation to Kier Construction.

2.14 Pensions tax annual allowance – Scheme Pays arrangements 2024/25 (Page 61)

WG confirmed that the costs associated with Scheme pays were to be included in the Health Boards accounts from 2021/22. In 2022/23 the amount included within provisions was £604K which was included in Note 20 Provisions with the funding from WG reflected in Note 15 – Trade and Other receivables. In 2024/25 revised discounted figures have been provided by WG via GAD which has increased the Health Board required provision to £686K which as per last year has been reflected in note 20 and the associated income reflected in note 15.



WG also made £13K of payments during the year in relation to scheme pays which has been included in the Health Board accounts with the notional funding received from WG to offset this which is included within the 'other' amount in note 28.

In 2022/23, Audit Wales confirmed in the draft audit plan that whilst any transactions included in the Health Board's financial statements strictly remain irregular, they did not classify them as material by their nature. They have also confirmed that a further qualification of regularity opinion would have a diminishing value, particularly against the backdrop of the Chancellor of the Exchequer abolishing the Lifetime Allowance in his March 2023 budget statement.

The above still applies for 2024/25 and as such no regularity opinion will be placed on this year's accounts in line with last year.

2.15 Remote Contingent Liabilities (Note 21.2, Page 63)

Line	Note	2024/25 £'m	2023/24 £'m	Change £'m	Change %
Remote Contingent Liabilities	21.2 Pg 63	0.43	24.06	(23.63)	(98%)

Remote Contingent Liabilities have decreased significantly from £24.06m in 2023/24 to £0.43m in 2024/25. There are 3 Medical Negligence cases and 1 Personal Injury case, which have all been assessed as having less than a 5% probability of being settled. The liability is based on what legal services assess the costs/ settlements would be if these cases were to progress to settlement.

3. Other Information

Annual Leave Accrual

The remaining balance which related to junior doctors' study leave has been reviewed and based on the revised information received re outstanding days payrates was reduced slightly from £3.224m to £3.204m. This study leave accrual has not been released because Health Education and Improvement Wales, who determine the arrangements for junior doctors' study leave, have chosen to retain the pre-Covid arrangements.

Argymhelliad / Recommendation

The Audit, Risk & Assurance Committee is asked to note this report

Amcanion: (rhaid cwblhau) Objectives: (must be completed)

Cyfeirnod Cofrestr Risg
Corfforaethol a Sgôr Cyfredol:



Corporate Risk Register Reference and Score:	
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	Governance, Leadership and Accountability 3.5 Record Keeping Choose an item. Choose an item.
Blaenoriaethau CTCI IMTP Priorities Link to IMTP	Choose an item.
Galluogwyr allweddol o fewn y CTCI Key Enablers within the IMTP	Choose an item. Finance Choose an item. Choose an item.
Amcanion cydraddoldeb strategol Strategic Equality Objectives Strategic Equality Objectives 2020-24	Choose an item. Choose an item. Choose an item. Improve the wellbeing and engagement of our staff

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	
Rhestr Termau: Glossary of Terms:	IFRS – International Financial Reporting Standards WG – Welsh Government CHC – Continuing Health Care FNC – Funded Nursing Care LAC – Looked After Children LTA – Long Term Agreement SLA – Service Level Agreement WTE – Whole Time Equivalent EPU – Education Purchasing Unit FP10 – Drugs prescribed in our hospitals, but prescription is dispensed in community pharmacies. IMTP – Integrated Medium-Term Plan CRL – Capital Resource Limit ROU – Right of Use GAD – Government Actuary's Department NWSSP – NHS Wales Shared Services Partnership WRP – Welsh Risk Pool NWJCC – NHS Wales Joint Commissioning Committee GMS – General Medical Services



	HCSW – HealthCare Support Worker
Partion / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Resource Assessment: • Workforce • Service Activity & Performance • Financial	Is EIA Required and included with this paper? A resource assessment is required to support decision making by the Board and/or Executive Committee, including: policy and strategy development and implementation plans; investment and/or disinvestment opportunities; and service change proposals. Please confirm you have completed the following: Yes, outlined within the paper Yes, outlined within the paper Yes, outlined within the paper
Asesiad Effaith Cydraddoldeb Equality Impact Assessment (EIA) completed	No does not meet requirements An EQIA is required whenever we are developing a policy, strategy, strategic implementation plan or a proposal for a new service or service change. If you require advice on whether an EQIA is required contact ABB.EDI@wales.nhs.uk
Deddf Llesiant Cenedlaethau'r Dyfodol – 5 ffordd o weithio Well Being of Future Generations Act – 5 ways of working https://futuregenerations.wales/about-us/future-generations-act/	Choose an item. Choose an item.

ANEURIN BEVAN UNIVERSITY LOCAL HEALTH BOARD

FOREWORD

These accounts have been prepared by the Local Health Board under schedule 9 section 178 Para 3(1) of the National Health Service (Wales) Act 2006 (c.42) in the form in which the Welsh Ministers have, with the approval of the Treasury, directed.

Statutory background

Performance Management and Financial Results

Welsh Health Circular WHC/2016/054 replaces WHC/2015/014 'Statutory and Administrative Financial Duties of NHS Trusts and Local Health Boards' and further clarifies the statutory financial duties of NHS Wales bodies and is effective for 2024-25. The annual financial duty has been revoked and the statutory breakeven duty has reverted to a three year duty, with the first assessment of this duty in 2016-17.

Local Health Boards in Wales must comply fully with the Treasury's Financial Reporting Manual to the extent that it is applicable to them. As a result, the primary statement of in-year income and expenditure is the Statement of Comprehensive Net Expenditure, which shows the net operating cost incurred by the Local Health Board which is funded by the Welsh Government. This funding is allocated on receipt directly to the General Fund in the Statement of Financial Position.

Under the National Health Services Finance (Wales) Act 2014, the annual requirement to achieve balance against Resource Limits has been replaced with a duty to ensure, in a rolling 3 year period, that its aggregate expenditure does not exceed its aggregate approved limits.

The Act came into effect from 1st April 2014 and under the Act the first assessment of the 3 year rolling financial duty took place at the end of 2016-17.

Statement of Comprehensive Net Expenditure for the year ended 31 March 2025

	Note	2024-25 £000	2023-24 £000
Expenditure on Primary Healthcare Services	3.1	351,914	325,276
Expenditure on healthcare from other providers	3.2	527,203	508,398
Expenditure on Hospital and Community Health Services	3.3	1,177,190	1,105,268
		2,056,307	1,938,942
Less: Miscellaneous Income	4	(136,606)	(121,956)
LHB net operating costs before interest and other gains and losses		1,919,701	1,816,986
Investment Revenue	5	(16)	(17)
Other (Gains) / Losses	6	(41)	331
Finance costs	7	777	1,168
Net operating costs for the financial year		1,920,421	1,818,468

Details of the Health Board's performance against its revenue and capital allocations over the last three financial periods are provided in Note 2 on page 27.

The notes on pages 8 to 76 form part of these accounts.

Other Comprehensive Net Expenditure

	2024-25 £000	2023-24 £000
Net (gain) / loss on revaluation of property, plant and equipment	(15,174)	(19,417)
Net (gain)/loss on revaluation of right of use assets	0	0
Net (gain) / loss on revaluation of intangibles	(42)	(114)
(Gain) / loss on other reserves	0	0
Net (gain)/ loss on revaluation of PPE & Intangible assets held for sale	0	0
Net (gain)/loss on revaluation of financial assets held for sale	0	0
Impairment and reversals	0	0
Transfers between reserves	0	0
Transfers to / (from) other bodies within the Resource Accounting Boundary	0	0
Reclassification adjustment on disposal of available for sale financial assets	0	0
Other comprehensive net expenditure for the year	(15,216)	(19,531)
Total comprehensive net expenditure for the year	1,905,205	1,798,937

The notes on pages 8 to 76 form part of these accounts.

Statement of Financial Position as at 31 March 2025

		31 March 2025 £000	31 March 2024 £000
	Notes		
Non-current assets			
Property, plant and equipment	11	927,547	892,817
Right of Use Assets	11.3	18,121	17,370
Intangible assets	12	4,999	4,685
Trade and other receivables	15	105,883	144,066
Other financial assets	16	607	667
Total non-current assets		1,057,157	1,059,605
Current assets			
Inventories	14	10,433	9,844
Trade and other receivables	15	167,160	136,573
Other financial assets	16	60	59
Cash and cash equivalents	17	4,823	4,145
		182,476	150,621
Non-current assets classified as "Held for Sale"	11	0	0
Total current assets		182,476	150,621
Total assets		1,239,633	1,210,226
Current liabilities			
Trade and other payables	18	(204,826)	(202,162)
Other financial liabilities	19	0	0
Provisions	20	(98,570)	(71,827)
Total current liabilities		(303,396)	(273,989)
Net current assets/ (liabilities)		(120,920)	(123,368)
Non-current liabilities			
Trade and other payables	18	(16,314)	(15,888)
Other financial liabilities	19	0	0
Provisions	20	(109,154)	(149,647)
Total non-current liabilities		(125,468)	(165,535)
Total assets employed		810,769	770,702
Financed by :			
Taxpayers' equity			
General Fund		610,494	581,378
Revaluation reserve		200,275	189,324
Total taxpayers' equity		810,769	770,702

The financial statements on pages 2 to 7 were approved by the Board on xx xx 2025 and signed on its behalf by:

Chief Executive and Accountable Officer Date:

The notes on pages 8 to 76 form part of these accounts.

Statement of Changes in Taxpayers' Equity

For the year ended 31 March 2025

	General Fund £000	Revaluation Reserve £000	Total Reserves £000
Changes in taxpayers' equity for 2024-25			
Balance as at 31 March 2024	581,378	189,324	770,702
NHS Wales Transfer	0	0	0
RoU Asset Transitioning Adjustment	422	0	422
Impact of IFRS 16 on PPP/PFI Liability	0	0	0
Balance at 1 April 2024	581,800	189,324	771,124
Net operating cost for the year	(1,920,421)		(1,920,421)
Net gain/(loss) on revaluation of property, plant and equipment	0	15,174	15,174
Net gain/(loss) on revaluation of right of use assets	0	0	0
Net gain/(loss) on revaluation of intangible assets	0	42	42
Net gain/(loss) on revaluation of financial assets	0	0	0
Net gain/(loss) on revaluation of assets held for sale	0	0	0
Impairments and reversals	0	0	0
Other Reserve Movement	0	0	0
Transfers between reserves	4,265	(4,265)	0
Release of reserves to SoCNE	0	0	0
Transfers to/from LHBS	0	0	0
Total recognised income and expense for 2024-25	(1,916,156)	10,951	(1,905,205)
Net Welsh Government funding	1,893,053		1,893,053
Notional Welsh Government Funding	51,797		51,797
Balance at 31 March 2025	610,494	200,275	810,769

Notional Welsh Government funding line includes 9.4% staff employer pension and Pensions Annual Allowance Charge Compensation Scheme (PAACCS) costs paid centrally by Welsh Government. The Department of Health and Social Care (DHSC) 2023-24 consultation on the NHS Pension Scheme confirmed that the transitional approach that has operated since 2019-20 for employer contributions will continue in 2024-25. From 1 April 2024 an employer rate of 23.7% (23.78% inclusive of the administration charge) will apply. However, the NHS Business Services Authority will continue to only collect 14.38% from NHS Wales employers under their normal monthly payment process to the NHS Pension Scheme. This has resulted in an increase in the central payments made by Welsh Government from 6.3% to 9.4%.

Notional Welsh Government funding split:

Notional 9.4% staff employer pension £51,784K
Pensions Annual Allowance Charge Compensation Scheme (PAACCS) £13K

The notes on pages 8 to 76 form part of these accounts.

Statement of Changes in Taxpayers' Equity For the year ended 31 March 2024

	General Fund £000	Revaluation Reserve £000	Total Reserves £000
Changes in taxpayers' equity for 2023-24			
Balance at 31 March 2023	552,847	179,062	731,909
NHS Wales Transfer	0	0	0
RoU Asset Transitioning Adjustment	0	0	0
Balance at 1 April 2023	551,304	179,062	730,366
Net operating cost for the year	(1,818,468)		(1,818,468)
Net gain/(loss) on revaluation of property, plant and equipment	0	19,417	19,417
Net gain/(loss) on revaluation of right of use assets	0	0	0
Net gain/(loss) on revaluation of intangible assets	0	114	114
Net gain/(loss) on revaluation of financial assets	0	0	0
Net gain/(loss) on revaluation of assets held for sale	0	0	0
Impairments and reversals	0	0	0
Other reserve movement	0	0	0
Transfers between reserves	9,269	(9,269)	0
Release of reserves to SoCNE	0	0	0
Transfers to/from LHBs	0	0	0
Total recognised income and expense for 2023-24	(1,809,199)	10,262	(1,798,937)
Net Welsh Government funding	1,807,206		1,807,206
Notional Welsh Government Funding	32,067		32,067
Balance at 31 March 2024	581,378	189,324	770,702

Notional Welsh Government funding line includes the 6.3% staff employer pension and Pensions Annual Allowance Charge Compensation Scheme (PAACCS) costs paid centrally by Welsh Government.

Notional Welsh Government funding split:

Notional 6.3% staff employer pension £32,065,000

Pensions Annual Allowance Charge Compensation Scheme (PAACCS) £2,000

The notes on pages 8 to 76 form part of these accounts.

Statement of Cash Flows for year ended 31 March 2025

	2024-25	2023-24
	£000	£000
Cash Flows from operating activities		
Net operating cost for the financial year	(1,920,421)	(1,818,468)
Movements in Working Capital	27 8,153	(69,062)
Other cash flow adjustments	28 111,772	175,424
Provisions utilised	20 (23,911)	(30,160)
Net cash outflow from operating activities	(1,824,407)	(1,742,266)
Cash Flows from investing activities		
Purchase of property, plant and equipment	(61,328)	(58,252)
Proceeds from disposal of property, plant and equipment	116	215
Purchase of intangible assets	(2,271)	(1,778)
Proceeds from disposal of intangible assets	0	0
Payment for other financial assets	0	0
Proceeds from disposal of other financial assets	0	0
Payment for other assets	0	0
Proceeds from disposal of other assets	0	0
Net cash inflow/(outflow) from investing activities	(63,483)	(59,815)
Net cash inflow/(outflow) before financing	(1,887,890)	(1,802,081)
Cash Flows from financing activities		
Welsh Government funding (including capital)	1,893,053	1,807,206
Capital receipts surrendered	0	0
Capital grants received	0	0
Capital element of payments in respect of finance leases and on-SoFP PFI Schemes	0	0
Capital element of payments in respect of on-SoFP PFI	(639)	(1,585)
Capital element of payments in respect of Right of Use Assets	(3,846)	(4,099)
Cash transferred (to)/ from other NHS bodies	0	0
Net financing	1,888,568	1,801,522
Net increase/(decrease) in cash and cash equivalents	678	(559)
Cash and cash equivalents (and bank overdrafts) at 1 April 2024	4,145	4,704
Cash and cash equivalents (and bank overdrafts) at 31 March 2025	4,823	4,145

The notes on pages 8 to 76 form part of these accounts.

Notes to the Accounts

1. Accounting policies

The Minister for Health and Social Services has directed that the financial statements of Local Health Boards (LHBs) in Wales shall meet the accounting requirements of the NHS Wales Manual for Accounts. Consequently, the following financial statements have been prepared in accordance with the 2024-25 Manual for Accounts. The accounting policies contained in that manual follow the 2024-25 Financial Reporting Manual (FReM) in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, to the extent that they are meaningful and appropriate to the NHS in Wales.

Where the LHB Manual for Accounts permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the LHB for the purpose of giving a true and fair view has been selected. The particular policies adopted by the LHB are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

1.1. Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets and inventories.

1.2. Acquisitions and discontinued operations

Activities are considered to be 'acquired' only if they are taken on from outside the public sector. Activities are considered to be 'discontinued' only if they cease entirely. They are not considered to be 'discontinued' if they transfer from one public sector body to another.

1.3. Income and funding

The main source of funding for the LHBs are allocations (Welsh Government funding) from the Welsh Government within an approved cash limit, which is credited to the General Fund of the LHB. Welsh Government funding is recognised in the financial period in which the cash is received.

Non-discretionary funding outside the Revenue Resource Limit is allocated to match actual expenditure incurred for the provision of specific pharmaceutical, or ophthalmic services identified by the Welsh Government. Non-discretionary expenditure is disclosed in the accounts and deducted from operating costs charged against the Revenue Resource Limit.

Funding for the acquisition of fixed assets received from the Welsh Government is credited to the General Fund.

Miscellaneous income is income which relates directly to the operating activities of the LHB and is not funded directly by the Welsh Government. This includes payment for services uniquely provided by the LHB for the Welsh Government such as funding provided to agencies and non-activity costs incurred by the LHB in its provider role. Income received from LHBs transacting with other LHBs is always treated as miscellaneous income.

From 2018-19, IFRS 15 Revenue from Contracts with Customers has been applied, as interpreted and adapted for the public sector, in the FREM. It replaces the previous standards IAS 11 Construction Contracts and IAS 18 Revenue and related IFRIC and SIC interpretations. The potential amendments identified as a result of the adoption of IFRS 15 are significantly below materiality levels.

Income is accounted for applying the accruals convention. Income is recognised in the period in which services are provided. Where income had been received from third parties for a specific activity to be delivered in the following financial year, that income will be deferred. Only non-NHS income may be deferred.

Only non-NHS income may be deferred.

1.4. Employee benefits

1.4.1. Short-term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of leave earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period.

1.4.2. Retirement benefit costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

The Department of Health and Social Care (DHSC) 2023-24 consultation on the NHS Pension Scheme confirmed that the transitional approach that has operated since 2019-20 for employer contributions will continue in 2024-25. From 1 April 2024 an employer rate of 23.7% (23.78% inclusive of the administration charge) will apply. However, the NHS Business Services Authority will continue to only collect 14.38% from NHS Wales employers under their normal monthly payment process to the NHS Pension Scheme. This has resulted in an increase in the central payments made by Welsh Government directly to the Pension Scheme administrator, the NHS Business Services Authority (BSA the NHS Pensions Agency) from 6.3% to 9.4%.

However, NHS Wales' organisations are required to account for their staff employer contributions of 23.78% in full and on a gross basis, in their annual accounts. Payments made on their behalf by Welsh Government are accounted for on a notional basis. For detailed information see the Other Note within these accounts.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to expenditure at the time the NHS Wales organisation commits itself to the retirement, regardless of the method of payment.

Where employees are members of the Local Government Superannuation Scheme, which is a defined benefit pension scheme this is disclosed. The scheme assets and liabilities attributable to those employees can be identified and are recognised in the NHS Wales organisation's accounts. The assets are measured at fair value and the liabilities at the present value of the future obligations. The increase in the liability arising from pensionable service earned during the year is recognised within operating expenses. The expected gain during the year from scheme assets is recognised within finance income. The interest cost during the year arising from the unwinding of the discount on the scheme liabilities is recognised within finance costs.

1.4.3. NEST Pension Scheme

An alternative pensions scheme for employees not eligible to join the NHS Pensions scheme has to be offered. The NEST (National Employment Savings Trust) Pension scheme is a defined contribution scheme and therefore the cost to the NHS body of participating in the scheme is equal to the contributions payable to the scheme for the accounting period.

1.5. Other expenses

Other operating expenses for goods or services are recognised when, and to the extent that, they have been received. They are measured at the fair value of the consideration payable.

1.6. Property, plant and equipment

1.6.1. Recognition

Property, plant and equipment is capitalised if:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential will be supplied to, the NHS Wales organisation;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
- the item has cost of at least £5,000; or
- Collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- Items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

1.6.2. Valuation

All property, plant and equipment are measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

Land and buildings used for services or for administrative purposes are stated in the Statement of Financial Position (SoFP) at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Fair values are determined as follows:

- Land and non-specialised buildings – market value for existing use

- Specialised buildings – depreciated replacement cost

HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be valued. NHS Wales' organisations have applied these new valuation requirements from 1st April 2009.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

In 2022-23 a formal revaluation exercise was applied to land and properties. The carrying value of existing assets at that date will be written off over their remaining useful lives and new fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit should be taken to expenditure.

References in IAS 36 to the recognition of an impairment loss of a revalued asset being treated as a revaluation decrease to the extent that the impairment does not exceed the amount in the revaluation surplus for the same asset, are adapted such that only those impairment losses that do not result from a clear consumption of economic benefit or reduction of service potential (including as a result of loss or damage resulting from normal business operations) should be taken to the revaluation reserve. Impairment losses that arise from a clear consumption of economic benefit should be taken to the Statement of Comprehensive Net Expenditure (SoCNE).

From 2015-16, IFRS 13 Fair Value Measurement must be complied with in full. However, IAS 16 and IAS 38 have been adapted for the public sector context which limits the circumstances under which a valuation is prepared under IFRS 13. Assets which are held for their service potential and are in use should be measured at their current value in existing use. For specialised assets current value in existing use should be interpreted as the present value of the assets remaining service potential, which can be assumed to be at least equal to the cost of replacing that service potential. Where there is no single class of asset that falls within IFRS 13, disclosures should be for material items only.

In accordance with the adaptation of IAS 16 in table 6.2 of the FReM, for non-specialised assets in operational use, current value in existing use is interpreted as market value for existing use which is defined in the RICS Red Book as Existing Use Value (EUV).

Assets which were most recently held for their service potential but are surplus should be valued at current value in existing use, if there are restrictions on the NHS organisation or the asset which would prevent access to the market at the reporting date. If the NHS organisation could access the market then the surplus asset should be used at fair value using IFRS 13. In determining whether such an asset which is not in use is surplus, an assessment should be made on whether there is a clear plan to bring the asset back into use as an operational asset. Where there is a clear plan, the asset is not surplus and the current value in existing use should be maintained. Otherwise the asset should be assessed as being surplus and valued under IFRS13.

Assets which are not held for their service potential should be valued in accordance with IFRS 5 or IAS 40 depending on whether the asset is actively held for sale. Where an asset is not being used to deliver services and there is no plan to bring it back into use, with no restrictions on sale, and it does not meet the IAS 40 and IFRS 5 criteria, these assets are surplus and are valued at fair value using IFRS 13.

1.6.3. Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the asset to its original specification, the expenditure is capitalised and any carrying value of the item replaced is written-out and charged to the SoCNE. As highlighted in previous years the NHS in Wales does not have systems in place to ensure that all items being "replaced" can be identified and hence the cost involved to be quantified. The NHS in Wales has thus established a national protocol to ensure it complies with the standard as far as it is able to which is outlined in the capital accounting chapter of the Manual For Accounts. This dictates that to ensure that asset carrying values are not materially overstated, for All Wales Capital Schemes that are completed in a financial year, NHS Wales organisations are required to obtain a revaluation during that year (prior to them being brought into use) and also similar revaluations are needed for all Discretionary Building Schemes completed which have a spend greater than £0.5m. The write downs identified are then charged to operating expenses.

1.7. Intangible assets

1.7.1. Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the business or which arise from contractual or other legal rights. They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to, the NHS Wales organisation; where the cost of the asset can be measured reliably, and where the cost is at least £5,000.

Intangible assets acquired separately are initially recognised at fair value. Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset. Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use.
- the intention to complete the intangible asset and use it.
- the ability to use the intangible asset.
- how the intangible asset will generate probable future economic benefits.
- the availability of adequate technical, financial and other resources to complete the intangible asset and use it.
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

1.7.2 Measurement

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the criteria above are initially met. Where no internally-generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred.

Following initial recognition, intangible assets are carried at fair value by reference to an active market, or, where no active market exists, at amortised replacement cost (modern equivalent assets basis), indexed for relevant price increases, as a proxy for fair value. Internally-developed software is held at historic cost to reflect the opposing effects of increases in development costs and technological advances.

1.8. Depreciation, amortisation and impairments

Freehold land, assets under construction and assets held for sale are not depreciated.

Otherwise, depreciation and amortisation are charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. The estimated useful life of an asset is the period over which the NHS Wales Organisation expects to obtain economic benefits or service potential from the asset. This is specific to the NHS Wales organisation and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. Assets held under finance leases are depreciated over the shorter of the lease term and estimated useful lives.

At each reporting period end, the NHS Wales organisation checks whether there is any indication that any of its tangible or intangible non-current assets have suffered an impairment loss. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually.

Impairment losses that do not result from a loss of economic value or service potential are taken to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to the SoCNE. Impairment losses that arise from a clear consumption of economic benefit are taken to the SoCNE. The balance on any revaluation reserve (up to the level of the impairment) to which the impairment would have been charged under IAS 36 are transferred to retained earnings. Right of use (ROU) asset impairments are reflected in ROU liability.

1.9. Research and Development

Research and development expenditure is charged to operating costs in the year in which it is incurred, except insofar as it relates to a clearly defined project, which can be separated from patient care activity and benefits therefrom can reasonably be regarded as assured. Expenditure so deferred is limited to the value of future benefits expected and is amortised through the SoCNE on a systematic basis over the period expected to benefit from the project.

1.10 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met when the sale is highly probable, the asset is available for immediate sale in its present condition and management is committed to the sale, which is expected to qualify for recognition as a completed sale,

within one year from the date of classification. Non-current assets held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Fair value is open market value including alternative uses.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the SoCNE. On disposal, the balance for the asset on the revaluation reserve, is transferred to the General Fund.

Property, plant and equipment that is to be scrapped or demolished does not qualify for recognition as held for sale. Instead it is retained as an operational asset and its economic life adjusted. The asset is derecognised when it is scrapped or demolished.

1.11 Leases

A lease is a contract or part of a contract that conveys the right to use an asset for a period of time in exchange for consideration.

IFRS 16 leases is effective across public sector from 1st April 2022. The transition to IFRS 16 has been completed in accordance with paragraph C5 (b) of the Standard, applying IFRS 16 requirements retrospectively recognising the cumulative effects at the date of initial application.

In the transition to IFRS 16 a number of elections and practical expedients offered in the standard have been employed. These are as follows: The entity has applied the practical expedient offered in the standard per paragraph C3 to apply IFRS 16 to contracts or arrangements previously identified as containing a lease under the previous leasing standards IAS 17 leases and IFRIC 4 determining whether an arrangement contains a lease and not to those that were identified as not containing a lease under previous leasing standards.

On initial application the LHB has measured the right of use assets for leases previously classified as operating leases per IFRS 16 C8 (b)(ii), at an amount equal to the lease liability adjusted for accrued or prepaid lease payments.

No adjustments have been made for operating leases in which the underlying asset is of low value per paragraph C9 (a) of the standard.

The transitional provisions have not been applied to operating leases whose terms end within 12 months of the date of initial application per paragraph C10 (c) of IFRS 16.

Hindsight is used to determine the lease term when contracts or arrangements contain options to extend or terminate the lease in accordance with C10 (e) of IFRS 16.

Due to transitional provisions employed the requirements for identifying a lease within paragraphs 9 to 11 of IFRS 16 are not employed for leases in existence at the initial date of application. Leases entered into on or after the 1st April 2022 will be assessed under the requirements of IFRS 16.

There are further expedients or election that have been employed by the LHB in applying IFRS 16.

These include:

- the measurement requirements under IFRS 16 are not applied to leases with a term of 12 months or less under paragraph 5 (a) of IFRS 16
- the measurement requirements under IFRS 16 are not applied to leases where the underlying asset is of a low value which are identified as those assets of a value of less than £5,000, excluding any irrecoverable VAT, under paragraph 5 (b) of IFRS 16

The LHB will not apply IFRS 16 to any new leases of intangible assets, applying the treatment described in section 1.7 instead.

List any other expedients employed by the entity (such as low value 5(b) or 15 on componentisation HM Treasury have adapted the public sector approach to IFRS 16 which impacts on the identification and measurement of leasing arrangements that will be accounted for under IFRS 16.

The LHB is required to apply IFRS 16 to lease like arrangements entered into with other public sector entities that are in substance akin to an enforceable contract, that in their formal legal form may not be enforceable. Prior to accounting for such arrangements under IFRS 16 the LHB has assessed that in all other respects these arrangements meet the definition of a lease under the standard.

The LHB is required to apply IFRS 16 to lease like arrangements entered into in which consideration exchanged is nil or nominal, therefore significantly below market value. These arrangements are described as peppercorn leases. Such arrangements are again required to meet the definition of a lease in every other respect prior to inclusion in the scope of IFRS 16. The accounting for peppercorn arrangements aligns to that identified for donated assets. Peppercorn leases are different in substance to arrangements in which consideration is below market value but not significantly below market value.

The nature of the accounting policy change for the lessee is more significant than for the lessor under IFRS 16. IFRS 16 introduces a singular lessee approach to measurement and classification in which lessees recognise a right of use asset.

For the lessor leases remain classified as finance leases when substantially all the risks and rewards incidental to ownership of an underlying asset are transferred to the lessee. When this transfer does not occur, leases are classified as operating leases.

1.11.1 Aneurin Bevan UHB as lessee

At the commencement date for the leasing arrangement a lessee shall recognise a right of use asset and corresponding lease liability. The LHB employs a revaluation model for the subsequent measurement of its right of use assets unless cost is considered to be an appropriate proxy for current value in existing use or fair value in line with the accounting policy for owned assets. Where consideration exchanged is identified as below market value, cost is not considered to be an appropriate proxy to value the right of use asset.

Irrecoverable VAT is expensed in the period to which it relates and therefore not included in the measurement of the lease liability and consequently the value of the right of use asset.

The incremental borrowing rate of [] been applied to the lease liabilities recognised at the date of initial application of IFRS 16.

Where changes in future lease payments result from a change in an index or rate or rent review, the lease liabilities are remeasured using an unchanged discount rate.

Where there is a change in a lease term or an option to purchase the underlying asset the LHB applies a revised rate to the remaining lease liability.

Where existing leases are modified the LHB must determine whether the arrangement constitutes a separate lease and apply the standard accordingly.

Lease payments are recognised as an expense on a straight-line or another systematic basis over the lease term, where the lease term is in substance 12 months or less, or is elected as a lease containing low value underlying asset by the LHB.

1.11.2 Aneurin Bevan UHB as lessor

A lessor shall classify each of its leases as an operating or finance lease. A lease is classified as finance lease when the lease substantially transfers all the risks and rewards incidental to ownership of an underlying asset. Where substantially all the risks and rewards are not transferred, a lease is classified as an operating lease.

Amounts due from lessees under finance leases are recorded as receivables at the amount of the LHB's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the LHB's net investment outstanding in respect of the leases.

Income from operating leases is recognised on a straight-line or another systematic basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Where the LHB is an intermediate lessor, being a lessor and a lessee regarding the same underlying asset, classification of the sublease is required to be made by the intermediate lessor considering the term of the arrangement and the nature of the right of use asset arising from the head lease.

On transition the LHB has reassessed the classification of all of its continuing subleasing arrangements to include peppercorn leases.

1.12. Inventories

Whilst it is accounting convention for inventories to be valued at the lower of cost and net realisable value using the weighted average or "first-in first-out" cost formula, it should be recognised that the NHS is a special case in that inventories are not generally held for the intention of resale and indeed there is no market readily available where such items could be sold. Inventories are valued at cost and this is considered to be a reasonable approximation to fair value due to the high turnover of stocks. Work-in-progress comprises goods in intermediate stages of production. Partially completed contracts for patient services are not accounted for as work-in-progress.

1.13. Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in three months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. In the Statement of Cash flows (SoCF), cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the cash management.

1.14. Provisions

Provisions are recognised when the LHB has a present legal or constructive obligation as a result of a past event, it is probable that the LHB will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using the discount rate supplied by HM Treasury.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the LHB has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

A restructuring provision is recognised when the LHB has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with ongoing activities of the entity.

1.14.1. Clinical negligence and personal injury costs

The Welsh Risk Pool Services (WRPS) operates a risk pooling scheme which is co-funded by the Welsh Government with the option to access a risk sharing agreement funded by the participative NHS Wales bodies. The risk sharing option was implemented in both 2023-24 and 2024-25. The WRPS is hosted by Velindre University NHS Trust.

1.14.2. Future Liability Scheme (FLS) - General Medical Practice Indemnity (GMPI)

The FLS is a state backed scheme to provide clinical negligence General Medical Practice Indemnity (GMPI) for providers of GMP services in Wales.

In March 2019, the Minister issued a Direction to Velindre University NHS Trust to enable Legal and Risk Services to operate the Scheme. The GMPI is underpinned by new secondary legislation, The NHS (Clinical Negligence Scheme) (Wales) Regulations 2019 which came into force on 1st April 2019.

GMP Service Providers are not direct members of the GMPI FLS, their qualifying liabilities are the subject of an arrangement between them and their relevant LHB, which is a member of the scheme. The qualifying reimbursements to the LHB are not subject to the £25,000 excess.

1.15. Financial Instruments

From 2018-19 IFRS 9 Financial Instruments has applied, as interpreted and adapted for the public sector, in the FReM. The principal impact of IFRS 9 adoption by NHS Wales' organisations, was to change the calculation basis for bad debt provisions, changing from an incurred loss basis to a lifetime expected credit loss (ECL) basis.

All entities applying the FReM recognised the difference between previous carrying amount and the carrying amount at the beginning of the annual reporting period that included the date of initial application in the opening general fund within Taxpayer's equity.

1.16. Financial assets

Financial assets are recognised on the SoFP when the LHB becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

The accounting policy choice allowed under IFRS 9 for long term trade receivables, contract assets which do contain a significant financing component (in accordance with IFRS 15), and lease receivables within the scope of IAS 17 has been withdrawn and entities should always recognise a loss allowance at an amount equal to lifetime Expected Credit Losses. All entities applying the FReM should utilise IFRS 9's simplified approach to impairment for relevant assets.

IFRS 9 requirements required a revised approach for the calculation of the bad debt provision, applying the principles of expected credit loss, using the practical expedients within IFRS 9 to construct a provision matrix.

1.16.1. Financial assets are initially recognised at fair value

Financial assets are classified into the following categories: financial assets 'at fair value through SoCNE'; 'held to maturity investments'; 'available for sale' financial assets, and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

1.16.2. Financial assets at fair value through SoCNE

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial assets at fair value through SoCNE. They are held at fair value, with any resultant gain or loss recognised in the SoCNE. The net gain or loss incorporates any interest earned on the financial asset.

1.16.3 Held to maturity investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity, and there is a positive intention and ability to hold to maturity. After initial recognition, they are held at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

1.16.4. Available for sale financial assets

Available for sale financial assets are non-derivative financial assets that are designated as available for sale or that do not fall within any of the other three financial asset classifications. They are measured at fair value with changes in value taken to the revaluation reserve, with the exception of impairment losses. Accumulated gains or losses are recycled to the SoCNE on de-recognition.

1.16.5. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. After initial recognition, they are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

Fair value is determined by reference to quoted market prices where possible, otherwise by valuation techniques.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to the net carrying amount of the financial asset.

At the SOFP date, the LHB assesses whether any financial assets, other than those held at 'fair value through profit and loss' are impaired. Financial assets are impaired and impairment losses recognised if there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the SoCNE and the carrying amount of the asset is reduced directly, or through a provision of impairment of receivables.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the SoCNE to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

1.17. Financial liabilities

Financial liabilities are recognised on the SOFP when the LHB becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired.

1.17.1. Financial liabilities are initially recognised at fair value

Financial liabilities are classified as either financial liabilities at fair value through the SoCNE or other financial liabilities.

1.17.2. Financial liabilities at fair value through the SoCNE

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial liabilities at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in the SoCNE. The net gain or loss incorporates any interest earned on the financial asset.

1.17.3. Other financial liabilities

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the net carrying amount of the financial liability. Interest is recognised using the effective interest method.

1.18. Value Added Tax (VAT)

Most of the activities of the NHS Wales organisation are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.19. Foreign currencies

Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. Resulting exchange gains and losses are taken to the SoCNE. At the SoFP date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date.

1.20. Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the NHS Wales organisation has no beneficial interest in them. Details of third party assets are given in the Notes to the accounts.

1.21. Losses and Special Payments

Losses and special payments are items that the Welsh Government would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way each individual case is handled.

Losses and special payments are charged to the relevant functional headings in the SoCNE on an accruals basis, including losses which would have been made good through insurance cover had the LHB not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure). However, the note on losses and special payments is compiled directly from the losses register which is prepared on a cash basis.

The LHB accounts for all losses and special payments gross (including assistance from the WRP).

The LHB accrues or provides for the best estimate of future pay-outs for certain liabilities and discloses all other potential payments as contingent liabilities, unless the probability of the liabilities becoming payable is remote.

All claims for losses and special payments are provided for where the probability of settlement of an individual claim is over 50%. Where reliable estimates can be made, incidents of clinical negligence against which a claim has not, as yet, been received are provided in the same way. Expected reimbursements from the WRP are included in debtors. For those claims where the probability of settlement is between 5- 50%, the liability is disclosed as a contingent liability.

1.22. Pooled budgets

The NHS Wales organisation has/has not entered into pooled budgets with Local Authorities. Under the arrangements funds are pooled in accordance with section 33 of the NHS (Wales) Act 2006 for specific activities defined in the Pooled budget Note.

The pool budget is hosted by one NHS Wales's organisation. Payments for services provided are accounted for as miscellaneous income. The NHS Wales organisation accounts for its share of the assets, liabilities, income and expenditure from the activities of the pooled budget, in accordance with the pooled budget arrangement.

Monmouthshire County Council - Monnow Vale Health and Social Care Unit

Funds are pooled for the provision of health and social care inpatient, outpatient, clinic and day care facilities to individuals who have medical, social, community or rehabilitation needs. The pool is hosted by Aneurin Bevan University Local Health Board. The financial operation of the pool is governed by a pooled budget agreement between the Local Health Board and Monmouthshire County Council. The income from Monmouthshire County Council is recorded as Local Authority Income in these accounts.

Expenditure for services provided under the arrangement is recorded under the appropriate expense headings in these accounts.

The property in which the unit is housed has been provided by a Private Finance Partner; the contract with the PFI partner is for 30 years and is categorised as an on balance sheet PFI scheme with the HB recognising 72% of the property - see Note 32 of these accounts for further details.

The five Local Authorities in Gwent - Gwent Wide Integrated Community Equipment Service

Funds are pooled for the provision of an efficient and effective GWICES (Gwent Wide Integrated Community Equipment Service) to service users who are resident in the partner localities. The pool is hosted by Torfaen County Borough Council. The Health Board makes a financial contribution to the scheme but does not account for the schemes expenditure or assets/liabilities generated by this expenditure.

The financial operation of the pool is governed by a pooled budget agreement between the bodies listed above and the Health Board. Payments for services provided by the host body, Torfaen County Borough Council, are accounted for as expenditure within these accounts.

Monmouthshire County Council - Mardy Park Rehabilitation Centre

Funds are pooled for the provision of care to individuals who have rehabilitation needs. The LHB has entered into a pooled budget with Monmouthshire County Council. The pool is hosted by Monmouthshire County Council.

The five Local Authorities in Gwent - Gwent Frailty Programme

Funds are pooled for the purpose of establishing a consistent service across Gwent. The pool is hosted by Caerphilly County Borough Council, as lead commissioner. The financial operation of the pool is governed by a pooled budget agreement between the bodies listed above and the Health Board. Payments for services provided by the host body, Caerphilly County Borough Council, are accounted for as expenditure within these accounts. Additional information is provided in Note 32.

The five Local Authorities in Gwent and ABUHB – A pooled Fund for Care Home Accommodation functions for Older People

Statutory Directions issued under section 169 of the Social Services and Wellbeing (Wales) Act 2014 required Partnership Bodies to enter into partnership arrangements and for the establishment and maintenance of pooled funds from April 2018, for the exercise of their Care Home Accommodation Functions.

The overarching strategic aim of this Agreement is: -

- To ensure coordinated arrangements for ensuring an integrated approach across the Partnership to the commissioning and arranging for Care Home Accommodation for Older People.
- To ensure provision of high quality, cost effective Care Home Accommodation which meets local health and social care needs, through the establishment of a pooled fund
- To develop a managed market approach to the supply of quality provision to meets the needs of Older People Care Home Accommodation.

Funds are pooled for the provision and commissioning of specified services for older people (>65 years of age) in a care home setting in Gwent. The pool has been hosted by Torfaen County Borough Council since August 2018.

The Health Board makes a financial contribution to the scheme equivalent to actual expenditure incurred in commissioning related placements in homes during the year, but in addition does incur minimal costs associated with a share of the services provided by the host organisation and these are accounted for as expenditure within these accounts.

1.23. Critical Accounting Judgements and key sources of estimation uncertainty

In the application of the accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. The estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or the period of the revision and future periods if the revision affects both current and future periods.

1.24. Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the SoFP date, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Significant estimations are made in relation to on-going clinical negligence and personal injury claims. Assumptions as to the likely outcome, the potential liabilities and the timings of these litigation claims are provided by independent legal advisors. Any material changes in liabilities associated with these claims would be recoverable through the Welsh Risk Pool.

Significant estimations are also made for continuing care costs resulting from claims post 1st April 2003. An assessment of likely outcomes, potential liabilities and timings of these claims are made on a case by case basis. Material changes associated with these claims would be adjusted in the period in which they are revised.

Estimates are also made for contracted primary care services. These estimates are based on the latest payment levels.

1.24.1. Provisions

The LHB provides for legal or constructive obligations for clinical negligence, personal injury and defence costs that are of uncertain timing or amount at the balance sheet date on the basis of the best estimate of the expenditure required to settle the obligation.

Claims are funded via the Welsh Risk Pool Services (WRPS) which receives an annual allocation from Welsh Government to cover the cost of reimbursement requests submitted to the bi-monthly WRPS Committee. Following settlement to individual claimants by the NHS Wales organisation, the full cost is recognised in year and matched to income (less a £25K excess) via a WRPS debtor, until reimbursement has been received from the WRPS Committee.

1.24.2. Probable & Certain Cases – Accounting Treatment

A provision for these cases is calculated in accordance with IAS 37. Cases are assessed and divided into four categories according to their probability of settlement;

Remote	Probability of Settlement	0 – 5%
	Accounting Treatment	Remote Contingent Liability.
Possible	Probability of Settlement	6% - 49%
	Accounting Treatment	Defence Fee - Provision*
Probable	Probability of Settlement	50% - 94%
	Accounting Treatment	Full Provision
Certain	Probability of Settlement	95% - 100%
	Accounting Treatment	Full Provision

** Personal injury cases - Defence fee costs are provided for at 100%.*

The provision for probable and certain cases is based on case estimates of individual reported claims received by Legal & Risk Services within NHS Wales Shared Services Partnership.

The solicitor will estimate the case value including defence fees, using professional judgement and from obtaining counsel advice. Valuations are then discounted for the future loss elements using individual life expectancies and the Government Actuary's Department actuarial tables (Ogden tables) and Personal Injury Discount Rate of 0.5%.

Future liabilities for certain & probable cases with a probability of 95%-100% and 50%- 94% respectively are held as a provision on the balance sheet. Cases typically take a number of years to settle, particularly for high value cases where a period of development is necessary to establish the full extent of the injury caused.

The Health Board has provided for some £199m (£213m 2023/24) within note 20 in respect of potential clinical negligence and personal injury claims and associated defence fees. These provisions have been arrived at on the advice of NHS Wales Shared Services Partnership - Legal & Risk Services. Given the nature of such claims this figure could be subject to significant change in future periods. However, the potential financial effect of such uncertainty is mitigated by the fact that the LHB's ultimate liability in respect of individual cases is capped at £0.025m, with amounts above this excess level being reimbursed by the Welsh Risk Pool.

The Health Board has estimated a liability of £379m (£0.393m 2023/24) in respect of retrospective claims for Continuing Health Care funding. The estimated provision is based upon an assessment of the likelihood of claims meeting criteria for continuing health care and the actual costs incurred by individuals in care homes. The provision is based on information made available to the Health Board at the time of these accounts and could be subject to significant change as outcomes are determined.

Aneurin Bevan University Local Health Board has reviewed its portfolio of outstanding claims for continuing healthcare and made an assessment of likely financial liability based on an estimated success factor, eligibility factor and expected weekly average costs of claims. The assumptions have been derived by reviewing a sample of claims.

Primary care expenditure includes estimates for areas which are paid in arrears and not finalised at the time of producing the accounts. These estimates relate to GMS Quality Assurance and Improvement Framework, GMS Enhanced Services, and pharmacy estimates, which are based on an assessment of likely final performance.

1.25 Discount Rates

Where discount is applied, a disclosure detailing the impact of the discounting on liabilities to be included for the relevant notes. The disclosure should include where possible undiscounted values to demonstrate the impact. An explanation of the source of the discount rate or how the discount rate has been determined to be included.

Within the Provisions Note (note 20) the amount relating to Early Retirements and Permanent Injury benefits has been discounted using the PES (2021) Post Employment Benefits Liabilities Real Rate in Excess of CPI of 2.45%.

1.26 Private Finance Initiative (PFI) transactions

HM Treasury has determined that government bodies shall account for infrastructure PFI schemes where the government body controls the use of the infrastructure and the residual interest in the infrastructure at the end of the arrangement as service concession arrangements, following the principles of the requirements of IFRIC 12. The LHB therefore recognises the PFI asset as an item of property, plant and equipment together with a liability to pay for it. The services received under the contract are recorded as operating expenses.

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:

- a) Payment for the fair value of services received;
- b) Payment for the PFI asset, including finance costs; and
- c) Payment for the replacement of components of the asset during the contract 'lifecycle replacement'.

1.26.1. Services received

The fair value of services received in the year is recorded under the relevant expenditure headings within 'operating expenses'.

1.26.2. PFI asset

The PFI assets are recognised as property, plant and equipment, when they come into use. The assets are measured initially at fair value in accordance with the principles of IAS 17. Subsequently, the assets are measured at fair value, which is kept up to date in accordance with the LHB's approach for each relevant class of asset in accordance with the principles of IAS 16.

1.26.3. PFI liability

A PFI liability is recognised at the same time as the PFI assets are recognised.

Prior year treatment

It is measured initially at the same amount as the fair value of the PFI assets and is subsequently measured as a finance lease liability in accordance with IAS 17.

An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period, and is charged to 'Finance Costs' within the SoCNE.

The element of the annual unitary payment that is allocated as a finance lease rental is applied to meet the annual finance cost and to repay the lease liability over the contract term.

An element of the annual unitary payment increase due to cumulative indexation is allocated to the finance lease. In accordance with IAS 17, this amount is not included in the minimum lease payments, but is instead treated as contingent rent and is expensed as incurred. In substance, this amount is a finance cost in respect of the liability and the expense is presented as a contingent finance cost in the SoCNE.

1.26.4 Impact of IFRS 16 on on-balance sheet PFI/PPP Schemes as from 1st April 2023.

On-balance sheet PPP arrangements should be based on IFRS 16 accounting principles from 2023-24.

When measuring the liability for on-balance sheet PPP contracts containing capital payments linked to a price index IFRS 16 requires that a lessee shall remeasure the lease liability where there is a change in future lease payments resulting from a change in an index or a rate used to determine those payments. The lessee shall remeasure the lease liability to reflect those revised lease payments only when there is a change in the cash flows.

Initial remeasurement - the future PPP liability will need to be remeasured at 1st April 2023 to include the actual indexation-linked changes to payments for the capital/infrastructure element which have taken effect in the cash flows since the PPP agreement commenced. This should use a cumulative catch-up approach, where the cumulative effect is recognised as an adjustment to the opening balance of retained earnings.

Subsequent measurement - The PPP liability will continue to require remeasurements whenever cash payments change in response to indexation movements as set out in the individual PPP contract. The double entry for the subsequent liability remeasurement should be Debit Finance Cost, Credit PPP liability.

The liability does not include estimated future indexation linked increases.

1.26.5. Lifecycle replacement

Components of the asset replaced by the operator during the contract ('lifecycle replacement') are capitalised where they meet the LHB's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are measured initially at their fair value.

The element of the annual unitary payment allocated to lifecycle replacement is pre-determined for each year of the contract from the operator's planned programme of lifecycle replacement. Where the lifecycle component is provided earlier or later than expected, a short-term finance lease liability or prepayment is recognised respectively.

Where the fair value of the lifecycle component is less than the amount determined in the contract, the difference is recognised as an expense when the replacement is provided. If the fair value is greater than the amount determined in the contract, the difference is treated as a 'free' asset and a deferred income balance is recognised. The deferred income is released to the operating income over the shorter of the remaining contract period or the useful economic life of the replacement component.

1.26.6. Assets contributed by the LHB to the operator for use in the scheme

Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the LHB's SoFP.

1.26.7. Other assets contributed by the LHB to the operator

Assets contributed (e.g. cash payments, surplus property) by the LHB to the operator before the asset is brought into use, which are intended to defray the operator's capital costs, are recognised initially as prepayments during the construction phase of the contract. Subsequently, when the asset is made available to the LHB, the prepayment is treated as an initial payment towards the finance lease liability and is set against the carrying value of the liability.

A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured at the present value of the minimum lease payments, discounted using the implicit interest rate. It is subsequently measured as a finance lease liability in accordance with IAS 17.

On initial recognition of the asset, the difference between the fair value of the asset and the initial liability is recognised as deferred income, representing the future service potential to be received by the NHS Wales organisation through the asset being made available to third party users.

Other PFI arrangements off Statement of Financial Position

The LHB has one PFI Scheme that was previously classified as off-statement of financial position. The scheme related to the provision of replacement heating and lighting systems within Nevill Hall hospital. The scheme commenced in 2000 for a period of 25 years. Since the introduction of IFRS 16 in 2022/23, the off-statement of Financial Position PFI has been recognised as a Right of use Asset.

Joint PFI contract

The LHB has entered into an agreement to share a facility, provided by a Private Finance Partner, with Monmouthshire County Council to match the agreement with the Private Finance Partner. The arrangement is treated as a PFI arrangement and the total obligation is included as a liability of the LHB. The contribution towards the unitary charge committed by Monmouthshire County Council is treated as a financial asset. The future contribution was measured initially at the same amount as the fair value of the share of the PFI asset and is subsequently measured as a finance lease.

1.27. Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the LHB, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the LHB. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingencies are disclosed at their present value.

Remote contingent liabilities are those that are disclosed under Parliamentary reporting requirements and not under IAS 37 and, where practical, an estimate of their financial effect is required.

1.28. Absorption accounting

Transfers of function are accounted for as either by merger or by absorption accounting dependent upon the treatment prescribed in the FReM. Absorption accounting requires that entities account for their transactions in the period in which they took place with no restatement of performance required.

Where transfer of function is between LHBs the gain or loss resulting from the assets and liabilities transferring is recognised in the SoCNE and is disclosed separately from the operating costs.

1.29. Accounting standards that have been issued but not yet been adopted

The following accounting standards have been issued and or amended by the IASB and IFRIC but have not been adopted because they are not yet required to be adopted by the FReM

IFRS14 Regulatory Deferral Accounts - Applies to first time adopters of IFRS after 1 January 2016. Therefore not applicable.

IFRS 17 Insurance Contracts, Application required for accounting periods beginning on or after 1 January 2023, Standard is UK endorsed and adopted by the FReM. The date of initial application is the beginning of the annual reporting period in which IFRS 17 is first applied. In central government the date of initial application is 1 April 2025.

IFRS 18 Presentation and Disclosure in Financial Statements - Application required for accounting periods beginning on or after 1 January 2027. Standard is not yet UK endorsed and not yet adopted by the FReM. Early adoption is not permitted.

IFRS 19 Subsidiaries without Public Accountability: Disclosures - Application required for accounting periods beginning on or after 1 January 2027. Standard is not yet UK endorsed and not yet adopted by the FReM. Early adoption is not permitted.

1.30. Accounting standards issued that have been adopted early

During 2024-25 there have been no accounting standards that have been adopted early. All early adoption of accounting standards will be led by HM Treasury.

1.31. Charities

Following Treasury's agreement to apply IAS 27 to NHS Charities from 1 April 2013, the LHB has established that as it is the corporate trustee of the Aneurin University LHB NHS Charitable Fund, it is considered for accounting standards compliance to have control of the Aneurin Bevan University LHB NHS Charitable Fund as a subsidiary.

The determination of control is an accounting standard test of control and there has been no change to the operation of the Aneurin Bevan University LHB NHS Charitable Fund or its independence in its management of charitable funds.

Whilst there is a requirement to consolidate the results of the Aneurin Bevan University LHB NHS Charitable Fund within the statutory accounts of the LHB. The LHB has with the agreement of the Welsh Government adopted the IAS 27 (10) exemption to consolidate.

Welsh Government as the ultimate parent of the Local Health Boards will disclose the Charitable Accounts of Local Health Boards in the Welsh Government Consolidated Accounts.

Details of the transactions with the charity are included in the related parties' notes.

2. Financial Duties Performance

The National Health Service Finance (Wales) Act 2014 came into effect from 1st April 2014. The Act amended the financial duties of Local Health Boards under section 175 of the National Health Service (Wales) Act 2006. From 1st April 2014 section 175 of the National Health Service (Wales) Act places two financial duties on Local Health Boards:

- A duty under section 175 (1) to secure that its expenditure does not exceed the aggregate of the funding allotted to it over a period of 3 financial years;
- A duty under section 175 (2A) to prepare a plan in accordance with planning directions issued by the Welsh Ministers, to secure compliance with the duty under section 175 (1) while improving the health of the people for whom it is responsible, and the provision of health care to such people, and for that plan to be submitted to and approved by the Welsh Ministers.

The first assessment of performance against the 3 year statutory duty under section 175 (1) was at the end of 2016-17, being the first 3 year period of assessment.

Welsh Health Circular WHC/2016/054 "Statutory and Financial Duties of Local Health Boards and NHS Trusts" clarifies the statutory financial duties of NHS Wales bodies effective from 2016-17.

2.1 Revenue Resource Performance

Annual financial performance				
	2022-23	2023-24	2024-25	Total
	£000	£000	£000	£000
Net operating costs for the year	1,676,282	1,818,468	1,920,421	5,415,171
Less general ophthalmic services expenditure and other non-cash limited expenditure	148	599	(1,693)	(946)
Less unfunded revenue consequences of bringing PFI schemes onto SoFP	0	29	(29)	0
Less any non funded revenue consequences of IFRS 16	0	0	0	0
Total operating expenses	1,676,430	1,819,096	1,918,699	5,414,225
Revenue Resource Allocation	1,639,588	1,769,330	1,911,514	5,320,432
Under /(over) spend against Allocation	(36,842)	(49,766)	(7,185)	(93,793)

Aneurin Bevan University LHB has not met its financial duty to break-even against its Revenue Resource Limit over the 3 years 2022-23 to 2024-25.

The Health Board received £7.36m cash-only support from Welsh Government during 2024-25 with the accumulated cash-only support for 2022-23 to 2024-25 as at 31 March 2025 being £80.3m. This support has been provided by Welsh Government to assist the Health Board with making payments staff and suppliers; there is no requirement for this funding to be repaid.

2.2 Capital Resource Performance

	2022-23	2023-24	2024-25	Total
	£000	£000	£000	£000
Gross capital expenditure	41,028	62,681	72,066	175,775
Add: Losses on disposal of donated assets	2	1	0	3
Less NBV on disposal of property, plant and equipment, right of use and intangible assets	(61)	(5,845)	(1,534)	(7,440)
Adjustment for transfers (to)/from NHS Trusts	0	0	(45)	(45)
Less capital grants received	(62)	0	0	(62)
Less donations received	(227)	(136)	(78)	(441)
Less IFRS16 Peppercorn income	0	0	0	0
Less initial recognition of RoU Asset Dilapidations	0	0	0	0
Charge against Capital Resource Allocation	40,680	56,701	70,409	167,790
Capital Resource Allocation	40,723	56,742	70,475	167,940
(Over) / Underspend against Capital Resource Allocation	43	41	66	150

Aneurin Bevan University LHB has met its financial duty to break-even against its Capital Resource Limit over the 3 years 2022-23 to 2024-25.

2.3 Duty to prepare a 3 year integrated plan

The NHS Wales Planning Framework for the period 2024-2027 issued to LHBs placed a requirement upon them to prepare and submit Integrated Medium Term Plans to the Welsh Government.

The LHB was unable to submit a balanced Integrated Medium Term Plan for the period 2024-2027 in accordance with NHS Wales Planning Framework. The Health Board submitted an Annual Plan for 2024-25 with a clear intention to reach a balanced in year position in 2026-27.

The Minister for Health and Social Services extant approval

Status
Date

Aneurin Bevan University LHB has not therefore met its statutory duty to have an approved financial plan.

2.4 Creditor payment

The LHB is required to pay 95% of the number of non-NHS bills within 30 days of receipt of goods or a valid invoice (whichever is the later). The LHB has achieved the following results:

	2024-25	2023-24
Total number of non-NHS bills paid	301,118	327,881
Total number of non-NHS bills paid within target	294,215	319,291
Percentage of non-NHS bills paid within target	97.7%	97.4%
The LHB has met the target.		

3. Analysis of gross operating costs

3.1 Expenditure on Primary Healthcare Services

	Cash limited £000	Non-cash limited £000	2024-25 Total £000	2023-24 Total £000
General Medical Services	132,671		132,671	122,671
Pharmaceutical Services	37,351	(8,127)	29,224	25,756
General Dental Services	44,444		44,444	39,870
General Ophthalmic Services	5,255	9,820	15,075	10,659
Other Primary Health Care expenditure	4,729		4,729	4,373
Prescribed drugs and appliances	125,771		125,771	121,947
Total	350,221	1,693	351,914	325,276

Return of excess funds from primary care contractors are included in the figures above

Included within other notes to the accounts

Additional Primary Care Expenditure	Positive	0	0
Additional Primary Care Income	Negative	-5843	0
Overall total		346,071	325,276

The General Medical Services expenditure includes £11,699k (2023/24 £18,793k) in relation to staff salaries, the General Dental Services expenditure includes £2,155k (2023/24 £4,070k) in relation to staff salaries, the Prescribed Drugs & Appliances expenditure includes £352k (2023/24 £348k) in relation to staff salaries, and the General Ophthalmic Services includes £88k (2023/24 £37k) in relation to staff salaries.

3.2 Expenditure on healthcare from other providers

	2024-25 £000	2023-24 £000
Goods and services from other NHS Wales Health Boards	64,362	69,753
Goods and services from other NHS Wales Trusts	54,658	47,460
Goods and services from Welsh Special Health Authorities	0	0
Goods and services from other non Welsh NHS bodies	14,400	12,041
Goods and services from NWJCC /WHSSC and EASC	218,320	208,640
Local Authorities	41,544	41,143
Voluntary organisations	10,849	9,408
NHS Funded Nursing Care	11,817	11,260
Continuing Care	99,904	99,136
Private providers	10,942	9,110
Specific projects funded by the Welsh Government	0	0
Other	407	447
Total	527,203	508,398

	2024-25 £'000	2023-24 £'000
Local Authorities expenditure relates to the following bodies:		
Blaenau Gwent County Borough Council	3644	3,462
Caerphilly County Borough Council	17632	17,706
Monmouthshire County Council	4947	4,759
Newport City Council	8548	8,289
Torfaen County Borough Council	6876	6,874
Gloucestershire County Council	-103	52
Swansea Council	0	1
	41544	41,143

3.3 Expenditure on Hospital and Community Health Services

	2024-25	2023-24
	£000	£000
Directors' costs	2,741	2,218
Operational Staff costs	843,137	786,497
Single lead employer Staff Trainee Cost	43,004	32,482
Collaborative Bank Staff Cost	0	0
Supplies and services - clinical	143,559	130,717
Supplies and services - general	20,917	20,384
Consultancy Services	481	410
Establishment	6,438	7,251
Transport	1,542	1,441
Premises	46,305	43,954
External Contractors	0	0
Depreciation	42,231	43,001
Depreciation Right of Use assets (RoU)	3,896	4,474
Amortisation	1,964	2,349
Fixed asset impairments and reversals (Property, plant & equipment)	1,817	9,732
Fixed asset impairments and reversals (RoU Assets)	0	0
Fixed asset impairments and reversals (Intangible assets)	0	438
Impairments & reversals of financial assets	0	0
Impairments & reversals of non-current assets held for sale	0	0
Audit fees	443	455
Other auditors' remuneration	0	0
Losses, special payments and irrecoverable debts	3,065	3,217
Research and Development	0	0
Expense related to short-term leases	367	713
Expense related to low-value asset leases (excluding short-term leases)	973	936
Other operating expenses	14,310	14,599
Total	1,177,190	1,105,268

3.4 Losses, special payments and irrecoverable debts: charges to operating expenses

	2024-25	2023-24
	£000	£000
Increase/(decrease) in provision for future payments:		
Clinical negligence;		
Secondary care	2,814	72,303
Primary care	49	817
Redress Secondary Care	180	221
Redress Primary Care	0	0
Personal injury	547	734
All other losses and special payments	1,062	821
Defence legal fees and other administrative costs	1,414	1,308
Gross increase/(decrease) in provision for future payments	6,066	76,204
Contribution to Welsh Risk Pool	0	0
Premium for other insurance arrangements	0	0
Irrecoverable debts	73	198
Less: income received/due from Welsh Risk Pool	(3,074)	(72,845)
Total	3,065	3,557

	2024-25	2023-24
	£	£
Permanent injury included within personal injury £:	(472,029)	(613,210)

4. Miscellaneous Income

	2024-25 £000	2023-24 £000
Local Health Boards	24,380	22,054
NWJCC/ WHSSC and EASC	14,774	13,948
NHS Wales trusts	17,702	11,418
Welsh Special Health Authorities	17,508	15,800
Foundation Trusts	97	38
Other NHS England bodies	2,975	1,472
Other NHS Bodies	21	56
Local authorities	21,289	20,351
Welsh Government	3,729	4,788
Welsh Government Hosted bodies	0	0
Non NHS:		
Prescription charge income	3	0
Dental fee income	6,130	5,160
Private patient income	0	0
Overseas patients (non-reciprocal)	365	157
Injury Costs Recovery (ICR) Scheme	1,323	1,140
Other income from activities	2,528	1,083
Patient transport services	0	0
Education, training and research	2,982	2,034
Charitable and other contributions to expenditure	1,394	1,259
Receipt of NWSSP Covid centrally purchased assets	0	0
Receipt of Covid centrally purchased assets from other organisations	0	0
Receipt of donated assets	78	136
Receipt of Government granted assets	0	0
Right of Use Grant (Peppercorn Lease)	0	0
Non-patient care income generation schemes	155	131
NHS Wales Shared Services Partnership (NWSSP)	0	0
Deferred income released to revenue	0	0
Right of Use Asset Sub-leasing rental income	0	0
Contingent rental income from finance leases	0	0
Rental income from operating leases	467	343
Other income:		
Provision of laundry, pathology, payroll services	82	131
Accommodation and catering charges	3,349	3,519
Mortuary fees	422	364
Staff payments for use of cars	673	625
Business Unit	0	0
Scheme Pays Reimbursement Notional	81	463
Other	14,099	15,486
Total	136,606	121,956
Other income Includes;		
Salary Sacrifice Schemes & Fleet Vehicles	7,772	5,954
VAT recoveries re Business Activities and Contracted Out Services	986	2,249
Integrated Care Fund	0	3,678
Other	5,341	3,605
Total	14,099	15,486

Injury Cost Recovery (ICR) Scheme income

	2024-25 %	2023-24 %
To reflect expected rates of collection ICR income is subject to a provision for impairment of:	24.45	23.07

5. Investment Revenue

	2024-25 £000	2023-24 £000
Rental revenue :		
PFI Finance lease income		
planned	0	0
contingent	0	0
Other finance lease revenue	0	0
Interest revenue :		
Bank accounts	0	0
Other loans and receivables	0	0
Impaired financial assets	0	0
Other financial assets	16	17
Total	16	17

6. Other gains and losses

	2024-25 £000	2023-24 £000
Gain/(loss) on disposal of property, plant and equipment	41	(345)
Gain/(loss) on disposal other than by sale of right of use assets	0	14
Gain/(loss) on disposal of intangible assets	0	0
Gain/(loss) on disposal of assets held for sale	0	0
Gain/(loss) on disposal of financial assets	0	0
Change on foreign exchange	0	0
Change in fair value of financial assets at fair value through SoCNE	0	0
Change in fair value of financial liabilities at fair value through SoCNE	0	0
Recycling of gain/(loss) from equity on disposal of financial assets held for sale	0	0
Total	41	(331)

7. Finance costs

	2024-25 £000	2023-24 £000
Interest on loans and overdrafts	0	0
Interest on obligations under finance leases	0	0
Interest on obligations under Right of Use Leases	353	274
Interest on obligations under PFI contracts;		
main finance cost	132	231
contingent finance cost	0	0
Impact of IFRS 16 on PPP/PFI contracts	147	521
Interest on late payment of commercial debt	0	0
Other interest expense	0	0
Total interest expense	632	1,026
Provisions unwinding of discount	145	142
Other finance costs	0	0
Total	777	1,168

8. Future charges to Statement of Comprehensive Net Expenditure (SoCNE)

LHB as lessee

As at 31st March 2025 the Health Board had 0 leases agreements in place for the leases of premises; 348 arrangements in respect of equipment and 237 in respect of vehicles, with 3 property, 164 equipment and 71 vehicle leases having expired in year.

The periods in which the remaining agreements will expire are shown below:

	2024-25	2024-25	2024-25	2023-24
	Low Value & Short Term	Other	Total	Total
Payments recognised as an expense				
	£000	£000	£000	£000
Minimum lease payments	1,363	0	1,363	1,670
Contingent rents	0	0	0	0
Sub-lease payments	0	0	0	0
Total	1,363	0	1,363	1,670
Total future minimum lease payments				
Payable	£000	£000	£000	£000
Not later than one year	820	0	820	1,079
Between one and five years	803	0	803	862
After 5 years	0	0	0	0
Total	1,623	0	1,623	1,941

LHB as lessor

	2024-25	2023-24
Rental revenue	£000	£000
Rent	467	343
Contingent rents	0	0
Total revenue rental	467	343
Total future minimum lease payments		
Receivable	£000	£000
Not later than one year	290	289
Between one and five years	1,085	1,033
After 5 years	789	1,031
Total	2,164	2,353

9. Employee benefits and staff numbers

9.1 Employee costs	Permanent Staff	Staff on Inward Secondment	Agency Staff	Specialist Trainee (SLE)	Collaborative Bank Staff	Other	Total	2023-24
	£000	£000	£000	£000	£000	£000	£000	£000
Salaries and wages	638,388	0	26,782	33,750	0	2,190	701,110	673,024
Social security costs	66,643	0	0	4,066	0		70,709	66,891
Employer contributions to NHS Pension Scheme	125,738	0	0	5,187	0		130,925	105,209
Other pension costs	229	0	0		0		229	298
Other employment benefits	0	1,020	0		0		1,020	0
Termination benefits	0	0	0		0		0	0
Total	830,998	1,020	26,782	43,003	0	2,190	903,993	845,422
Charged to capital							802	977
Charged to revenue							903,191	844,445
							903,993	845,422
Net movement in accrued employee benefits (untaken staff leave)							(38)	(167)

The staff under the 'Other' heading relate to Agency Medical Staff who are paid via a direct engagement scheme which commenced in January 2020.

9.2 Average number of employees

	Permanent Staff	Staff on Inward Secondment	Agency Staff	Specialist Trainee (SLE)	Collaborative Bank Staff	Other	Total	2023-24
	Number	Number	Number	Number	Number	Number	Number	Number
Administrative, clerical and board members	2,713	7	2	0	0	0	2,722	2,761
Medical and dental	845	5	49	430	0	10	1,339	1,338
Nursing, midwifery registered	3,975	0	146	0	0	0	4,121	4,012
Professional, Scientific, and technical staff	428	0	5	0	0	0	433	452
Additional Clinical Services	2,886	0	17	0	0	0	2,903	2,841
Allied Health Professions	953	6	23	0	0	0	982	876
Healthcare Scientists	253	0	4	0	0	0	257	247
Estates and Ancillary	1,037	0	17	0	0	0	1,054	1,093
Students	6	0	0	0	0	0	6	9
Total	13,096	18	263	430	0	10	13,817	13,629

9.3. Retirements due to ill-health

	2024-25	2023-24
Number	16	15
Estimated additional pension costs £	1,456,012	1,462,604

This note discloses the number and additional pension costs for individuals who retired early on ill-health grounds during the year. These additional pension costs have been calculated on an average basis and will be borne by the NHS Pension Scheme.

9.4 Employee benefits

The Health Board does not have an employee benefit scheme.

9.5 Reporting of other compensation schemes - exit packages

9.5.1 Exit Packages Costs and Numbers

	2024-25	2024-25	2024-25	2024-25	2023-24
Exit packages cost band (including any special payment element)	Number of compulsory redundancies	Number of other departures	Total number of exit packages	Number of departures where special payments have been made	Total number of exit packages
	Whole numbers only	Whole numbers only	Whole numbers only	Whole numbers only	Whole numbers only
less than £10,000	0	1	1	0	0
£10,000 to £25,000	0	0	0	0	1
£25,000 to £50,000	0	0	0	0	0
£50,000 to £100,000	0	0	0	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	0	1	1	0	1

	2024-25	2024-25	2024-25	2024-25	2023-24
Exit packages cost band (including any special payment element)	Cost of compulsory redundancies	Cost of other departures	Total cost of exit packages	Cost of special element included in exit packages	Total cost of exit packages
	£	£	£	£	£
less than £10,000	0	7,500	7,500	0	0
£10,000 to £25,000	0	0	0	0	24,254
£25,000 to £50,000	0	0	0	0	0
£50,000 to £100,000	0	0	0	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	0	7,500	7,500	0	24,254

Total Exit Costs Paid in Year	Total paid in year	Total paid in year
	2024-25	2023-24
	£	£
Exit costs paid in year	7,500	24,254
Total	7,500	24,254

Redundancy and other departure costs have been paid in accordance with the provisions of the NHS Voluntary Early Release Scheme (VERS).

Where the LHB has agreed early retirements, the additional costs are met by the LHB and not by the NHS Pensions Scheme. Ill-health retirement costs are met by the NHS Pensions Scheme and are not included in the table.

The Health Board has not approved any VERS in 2024-25.

Additional requirement as per FReM
£0.00 exit costs were paid in 2024-25, relating to 2023-24 (the year of departure).

9.5 Reporting of other compensation schemes - exit packages continued

9.5.2 Analysis of other departures	2024-25	2024-25
	Agreements	Total value of
Type of other departures	Number	agreements
		£
Voluntary redundancies including early retirement contractual costs	0	0
Contractual payments in lieu of notice*	1	1440
Exit payments following Employment Tribunals or court orders	1	5839
Non-contractual payments requiring Welsh Government Approval**	0	0
Other please specify	1	221
Other please specify	0	0
Total	3	7500

This disclosure provides detail for the number and value of exit packages agreed in the year.

Other Payments:
£221 - in relation to undertaken annual leave.

9.6 Fair Pay disclosures

9.6.1 Remuneration Relationship

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director/employee in their organisation and the 25th percentile, median and 75th percentile remuneration of the organisation's workforce.

	2024-25 £000 Chief	2024-25 £000 Employee	2024-25 £000 Ratio	2023-24 £000 Chief	2023-24 £000 Employee	2023-24 £000 Ratio
Total pay and benefits	Executive	Employee	Ratio	Executive	Employee	Ratio
25th percentile pay ratio	240 - 245	29	8.2	225 - 230	29	8.0
Median pay	240 - 245	37	6.5	225 - 230	36	6.3
75th percentile pay ratio	240 - 245	49	5.0	225 - 230	47	4.9
Salary component of total pay and benefits						
25th percentile pay ratio	240 - 245	29		225 - 230	29	
Median pay	240 - 245	37		225 - 230	36	
75th percentile pay ratio	240 - 245	49		225 - 230	47	
	Highest Paid Director	Employee	Ratio	Highest Paid Director	Employee	Ratio
Total pay and benefits	Director	Employee	Ratio	Director	Employee	Ratio
25th percentile pay ratio	240 - 245	29	8.2	225 - 230	29	8.0
Median pay	240 - 245	37	6.5	225 - 230	36	6.3
75th percentile pay ratio	240 - 245	49	5.0	225 - 230	47	4.9
Salary component of total pay and benefits						
25th percentile pay ratio	240 - 245	29		225 - 230	29	
Median pay	240 - 245	37		225 - 230	36	
75th percentile pay ratio	240 - 245	49		225 - 230	47	

In 2024-25, 15 (2023-24, 10) employees received remuneration in excess of the highest-paid director.

Remuneration for all staff ranged from £17k to £459k (2023-24, £15k to £383k).

The all staff range includes directors (including the highest paid director) and excludes pension benefits of all employees

Financial Year Summary

There has been an increase in the pay ratio which is attributable to the increase in the chief executive / highest paid director salary being more than the increase in the employee median salary.

The median pay ratio for the relevant financial year is consistent with the pay, reward and progression policies for the entity's employees taken as a whole.

9.6.2 Percentage Changes

	2023-24 to 2024-25 %	2022-23 to 2023-24 %
% Change from previous financial year in respect of Chief Executive	%	%
Salary and allowances	7	5
Performance pay and bonuses	0	0
% Change from previous financial year in respect of highest paid director		
Salary and allowances	7	5
Performance pay and bonuses	0	0
Average % Change from previous financial year in respect of employees takes as a whole		
Salary and allowances	5	7
Performance pay and bonuses	0	0

9.7 Pension costs

Past and present employees are covered by the provisions of the NHS Pension Schemes. Details of the benefits payable and rules of the schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”.

An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2025, is based on valuation data as at 31 March 2023, updated to 31 March 2025 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the Statement by the Actuary, which forms part of the annual NHS Pension Scheme Annual Report and Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (considering recent demographic experience), and to recommend the contribution rate payable by employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from 1 April 2024 to 23.7% of pensionable pay. The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates.

The 2024 actuarial valuation is currently being prepared and will be published before new contribution rates are implemented from April 2027.

c) National Employment Savings Trust (NEST)

NEST is a workplace pension scheme, which was set up by legislation and is treated as a trust-based scheme. The Trustee responsible for running the scheme is NEST Corporation. It's a non-departmental public body (NDPB) that operates at arm's length from government and is accountable to Parliament through the Department for Work and Pensions (DWP).

NEST Corporation has agreed a loan with the Department for Work and Pensions (DWP). This has paid for the scheme to be set up and will cover expected shortfalls in scheme costs during the earlier years while membership is growing.

NEST Corporation aims for the scheme to become self-financing while providing consistently low charges to members.

Using qualifying earnings to calculate contributions, currently the legal minimum level of contributions is 8% of a jobholder's qualifying earnings, for employers whose legal duties have started. The employer must pay at least 3% of this.

The earnings band used to calculate minimum contributions under existing legislation is called qualifying earnings. Qualifying earnings are currently those between £6,240 and £50,270 for the 2024-25 tax year (2023-24 £6,240 and £50,270).

Restrictions on the annual contribution limits were removed on 1st April 2017.

10. Public Sector Payment Policy - Measure of Compliance

10.1 Prompt payment code - measure of compliance

The Welsh Government requires that Health Boards pay all their trade creditors in accordance with the CBI prompt payment code and Government Accounting rules. The Welsh Government has set as part of the Health Board financial targets a requirement to pay 95% of the number of non-NHS creditors within 30 days of delivery.

	2024-25	2024-25	2023-24	2023-24
	Number	£000	Number	£000
NHS				
Total bills paid	5,193	433,942	4,932	402,257
Total bills paid within target	4,770	425,567	4,364	381,217
Percentage of bills paid within target	91.9%	98.1%	88.5%	94.8%
Non-NHS				
Total bills paid	301,118	700,384	327,881	709,739
Total bills paid within target	294,215	676,799	319,291	688,084
Percentage of bills paid within target	97.7%	96.6%	97.4%	96.9%
Total				
Total bills paid	306,311	1,134,326	332,813	1,111,996
Total bills paid within target	298,985	1,102,366	323,655	1,069,301
Percentage of bills paid within target	97.6%	97.2%	97.2%	96.2%

10.2 The Late Payment of Commercial Debts (Interest) Act 1998

	2024-25	2023-24
	£	£
Amounts included within finance costs (note 7) from claims made under this legislation	0	0
Compensation paid to cover debt recovery costs under this legislation	114,172	542
Total	114,172	542

11.1 Property, plant and equipment

2024-25

	Land £000	Buildings, excluding dwellings £000	Dwellings £000	Assets under construction & payments on account £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost or valuation at 1 April 2024	75,111	750,899	2,390	40,777	117,063	281	39,458	3,953	1,029,932
Indexation	666	5,342	15	0	0	0	0	0	6,023
Additions									
- purchased	0	3,509	149	46,201	7,691	0	5,427	624	63,601
- donated	0	17	0	0	42	0	19	0	78
- government granted	0	0	0	0	0	0	0	0	0
Transfer from/into other NHS bodies	0	0	0	0	0	0	(45)	0	(45)
Reclassifications	0	37,289	0	(37,289)	(60)	0	16	44	0
Revaluations	3,288	6,243	0	0	0	0	0	0	9,531
Reversal of impairments	133	14,644	28	0	0	0	0	0	14,805
Impairments	0	(17,994)	0	0	0	0	0	0	(17,994)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	(2,482)	0	0	(6,346)	99	(6,220)	(33)	(14,982)
At 31 March 2025	79,198	797,467	2,582	49,689	118,390	380	38,655	4,588	1,090,949
Depreciation at 1 April 2024	0	43,143	395	0	67,276	269	24,508	1,524	137,115
Indexation	0	374	6	0	0	0	0	0	380
Transfer from/into other NHS bodies	0	0	0	0	0	0	(11)	0	(11)
Reclassifications	0	0	0	0	(16)	0	16	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	403	1	0	0	0	0	0	404
Impairments	0	(1,776)	0	0	0	0	0	0	(1,776)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	(2,482)	0	0	(6,306)	99	(6,219)	(33)	(14,941)
Provided during the year	0	23,479	86	0	12,454	6	5,793	413	42,231
At 31 March 2025	0	63,141	488	0	73,408	374	24,087	1,904	163,402
Net book value at 1 April 2024	75,111	707,756	1,995	40,777	49,787	12	14,950	2,429	892,817
Net book value at 31 March 2025	79,198	734,326	2,094	49,689	44,982	6	14,568	2,684	927,547
Net book value at 31 March 2025 comprises :									
Purchased	76,108	732,430	2,094	49,689	44,378	6	14,503	2,652	921,860
Donated	3,090	1,697	0	0	463	0	65	32	5,347
Government Granted	0	199	0	0	141	0	0	0	340
At 31 March 2025	79,198	734,326	2,094	49,689	44,982	6	14,568	2,684	927,547
Asset financing :									
Owned	79,198	730,440	2,094	49,689	44,982	6	14,568	2,684	923,661
On-SoFP MIMS Funded PPP contracts	0	0	0	0	0	0	0	0	0
On-SoFP PFI contracts	0	3,886	0	0	0	0	0	0	3,886
PFI residual interests	0	0	0	0	0	0	0	0	0
At 31 March 2025	79,198	734,326	2,094	49,689	44,982	6	14,568	2,684	927,547

The net book value of land, buildings and dwellings at 31 March 2025 comprises :

	£000
Freehold	811,217
Long Leasehold	4,390
Short Leasehold	11
	815,618

Valuers 'material uncertainty', in valuation. The disclosure relates to the materiality in the valuation report not that of the underlying account.

0

The land and buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2022. The valuation has been prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards. LHBs are required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in occupation.

11.1 Property, plant and equipment

2023-24

	Land £000	Buildings, excluding dwellings £000	Dwellings £000	Assets under construction & payments on account £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost at 31 March bf	77,508	696,196	2,237	36,936	118,190	546	43,310	4,162	979,085
NHS Wales Transfers	0	0	0	0	0	0	0	0	0
Prepayments	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0	0	0
Cost or valuation at 1 April 2023	77,508	696,196	2,237	36,936	118,190	546	43,310	4,162	979,085
Indexation	(2,000)	21,643	33	0	0	0	0	0	19,676
Additions									
- purchased	0	2,574	19	46,443	5,806	0	2,471	243	57,556
- donated	0	0	0	0	136	0	0	0	136
- government granted	0	0	0	0	0	0	0	0	0
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Reclassifications	0	42,054	0	(42,602)	124	0	250	(410)	(584)
Revaluations	0	(22)	0	0	0	0	0	0	(22)
Reversal of impairments	0	19,893	101	0	0	0	0	0	19,994
Impairments	(397)	(31,439)	0	0	0	0	0	0	(31,836)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(7,193)	(265)	(6,573)	(42)	(14,073)
At 31 March 2024	75,111	750,899	2,390	40,777	117,063	281	39,458	3,953	1,029,932
Depreciation at 31 March bf	0	22,122	294	0	60,999	502	24,324	1,303	109,544
NHS Wales Transfers	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0	0	0
Depreciation at 1 April 2023	0	22,122	294	0	60,999	502	24,324	1,303	109,544
Indexation	0	879	15	0	0	0	0	0	894
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	(2)	0	79	(112)	(35)
Revaluations	0	(657)	0	0	0	0	0	0	(657)
Reversal of impairments	0	439	3	0	0	0	0	0	442
Impairments	0	(2,552)	0	0	0	0	0	0	(2,552)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(6,642)	(265)	(6,573)	(42)	(13,522)
Provided during the year	0	22,912	83	0	12,921	32	6,678	375	43,001
At 31 March 2024	0	43,143	395	0	67,276	269	24,508	1,524	137,115
Net book value at 1 April 2023	77,508	674,074	1,943	36,936	57,191	44	18,986	2,859	869,541
Net book value at 31 March 2024	75,111	707,756	1,995	40,777	49,787	12	14,950	2,429	892,817
Net book value at 31 March 2024 comprises :									
Purchased	72,053	705,809	1,995	40,777	49,031	12	14,879	2,393	886,949
Donated	3,058	1,745	0	0	560	0	71	36	5,470
Government Granted	0	202	0	0	196	0	0	0	398
At 31 March 2024	75,111	707,756	1,995	40,777	49,787	12	14,950	2,429	892,817
Asset financing :									
Owned	75,111	703,130	1,995	40,777	49,759	12	14,950	2,429	888,163
On-SoFP PFI contracts	0	4,626	0	0	28	0	0	0	4,654
PFI residual interests	0	0	0	0	0	0	0	0	0
At 31 March 2024	75,111	707,756	1,995	40,777	49,787	12	14,950	2,429	892,817

The net book value of land, buildings and dwellings at 31 March 2024 comprises :

	£000
Freehold	780,060
Long Leasehold	4,783
Short Leasehold	19
	784,862

Valuers 'material uncertainty', in valuation. The disclosure relates to the materiality in the valuation report not that of the underlying account.

0

The land and buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2022. The valuation has been prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards. LHB s are required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in occupation.

11. Property, plant and equipment (continued)**Disclosures:****Disclosures:****i) Donated Assets**

Assets totalling £78k were purchased via Charitable Funds donations during the year.

ii) Valuations

The LHBs land and Buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2022. The valuation has been prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards.

The LHB is required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in operation.

In 2024-25, indexation has been applied to land and buildings based on indices received from the Valuation Office Agency and as agreed in the Technical Update Note 03 issued by Welsh Government on 20th September 2024. No indexation has been applied to equipment.

In addition, in 2024-25 there have been separate revaluations for eight assets under construction coming into use. These include 19 Hills Health and Well-being Centre, the Sanctuary Hub and roof upgrade at St Cadoc's Hospital, the discharge lounge at Grange University Hospital, Ty Gwent offices, and various infrastructure works and ward upgrades at the Royal Gwent Hospital.

iii) Asset Lives

Depreciated as follows:

- Land is not depreciated.
- Buildings as determined by the Valuation Office Agency.
- Equipment 5-15 years.

iv) Compensation

There has been no compensation received from third parties for assets impaired, lost or given up, that is included in the income statement.

v) Write Downs

There have not been any write downs.

vi) The LHB does not hold any property where the value is materially different from its open market value.

vii) Assets Held for Sale or sold in the period.

There are no assets held for sale or sold in the period.

viii) IFRS 13 Fair value measurement

There are no assets requiring Fair Value measurement under IFRS 13.

11. Property, plant and equipment

11.2 Non-current assets held for sale

	Land	Buildings, including dwelling	Other property, plant and equipment	Intangible assets	Other assets	Total
	£000	£000	£000	£000	£000	£000
Balance brought forward 1 April 2024	0	0	0	0	0	0
Plus assets classified as held for sale in the year	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0
Less assets sold in the year	0	0	0	0	0	0
Add reversal of impairment of assets held for sale	0	0	0	0	0	0
Less impairment of assets held for sale	0	0	0	0	0	0
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	0	0	0	0
Balance carried forward 31 March 2025	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Balance brought forward 1 April 2023	0	0	0	0	0	0
Plus assets classified as held for sale in the year	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0
Less assets sold in the year	0	0	0	0	0	0
Add reversal of impairment of assets held for sale	0	0	0	0	0	0
Less impairment of assets held for sale	0	0	0	0	0	0
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	0	0	0	0
Balance carried forward 31 March 2024	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

11.3 Right of Use Assets

The organisation's right of use asset leases are disclosed across the relevant headings below. Most are individually insignificant, however, six are significant in their own right:

- Blaenavon Primary Care Resource Centre (LHB lease) held under Land & Buildings NBV at 31 March 2025 £1,213k
- Brynmawr Primary Care Resource Centre (LHB lease) held under Land & Buildings NBV at 31 March 2025 £2,117k
- Rhymney Integrated H&SC Resource Centre (LHB lease) held under Land & Buildings NBV at 31 March 2025 £2,078k
- Ty Gwent held under Land & Buildings NBV at 31 March 2025 £1,092k
- Biochemistry Managed Service Contract held under Plant & Machinery NBV at 31 March 2025 £2,172k

	Land £000	Land & buildings £000	Buildings £000	Dwellings £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
2024-25									
Cost or valuation at 1 April 2024	813	12,180	0	0	9,058	860	2,045	0	24,956
Additions	0	4,151	0	0	1,818	184	0	0	6,153
Transfer from/into other NHS bodies	0	(57)	0	0	0	0	0	0	(57)
Disposals other than by sale	(155)	(808)	0	0	(1,847)	(100)	(223)	0	(3,133)
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
De-recognition	0	0	0	0	0	0	0	0	0
At 31 March 2025	658	15,466	0	0	9,029	944	1,822	0	27,919
Depreciation at 1 April 2024	196	2,968	0	0	3,138	339	945	0	7,586
Recognition	0	0	0	0	0	0	0	0	0
Transfers from/into other NHS bodies	0	(12)	0	0	0	0	0	0	(12)
Disposals other than by sale	(155)	(513)	0	0	(681)	(100)	(223)	0	(1,672)
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
De-recognition	0	0	0	0	0	0	0	0	0
Provided during the year	91	1,442	0	0	1,724	293	346	0	3,896
At 31 March 2025	132	3,885	0	0	4,181	532	1,068	0	9,798
Net book value at 1 April 2024	617	9,212	0	0	5,920	521	1,100	0	17,370
Net book value at 31 March 2025	526	11,581	0	0	4,848	412	754	0	18,121
RoU Asset Total Value Split by Lessor									
	Land £000	Land & buildings £000	Buildings £000	Dwellings £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
NHS Wales Peppercorn Leases	0	0	0	0	0	0	0	0	0
NHS Wales Market Value Leases	0	0	0	0	0	0	0	0	0
Other Public Sector Peppercorn Leases	516	277	0	0	0	0	0	0	793
Other Public Sector Market Value Leases	10	1,046	0	0	0	0	0	0	1,056
Private Sector Peppercorn Leases	0	0	0	0	0	0	0	0	0
Private Sector Market Value Leases	0	10,258	0	0	4,848	412	754	0	16,272
Total	526	11,581	0	0	4,848	412	754	0	18,121

11.3 Right of Use Assets

The organisation's right of use asset leases are disclosed across the relevant headings below. Most are individually insignificant, however, five are significant in their own right:

- Blaenavon Primary Care Resource Centre (LHB lease) held under Land & Buildings NBV at 31 March 2024 £1,341k
- Rhyimey Integrated H&SC Resource Centre (LHB lease) held under Land & Buildings NBV at 31 March 2024 £2,317k
- Ty Gwent held under Land & Buildings NBV at 31 March 2024 £1,213k
- Biochemistry Managed Service Contract held under Plant & Machinery NBV at 31 March 2024 £2,441k
- NHH Energy scheme (previously classified as an off balance sheet PFI scheme) held under Plant & Machinery NBV at 31 March 2024 £2,180k

2023-24	Land £000	Land & buildings £000	Buildings £000	Dwellings £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost or valuation at 31 March 2023	813	16,854	0	0	8,473	559	1,660	0	28,359
Lease prepayments in relation to RoU Assets	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases from PPE Note	0	0	0	0	0	0	0	0	0
Operating Leases Transitioning	0	0	0	0	0	0	0	0	0
Cost or valuation at 1 April 2023	813	16,854	0	0	8,473	559	1,660	0	28,359
Additions	0	1,768	0	0	585	533	385	0	3,271
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Disposals other than by sale	0	-6,442	0	0	0	-232	0	0	-6,674
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
De-recognition	0	0	0	0	0	0	0	0	0
At 31 March 2024	813	12,180	0	0	9,058	860	2,045	0	24,956
Depreciation at 31 March 2023	98	2,118	0	0	1,519	269	488	0	4,492
Transfer of Finance Leases from PPE Note	0	0	0	0	0	0	0	0	0
Operating Leases Transitioning	0	0	0	0	0	0	0	0	0
Depreciation at 1 April 2023	98	2,118	0	0	1,519	269	488	0	4,492
Recognition	0	0	0	0	0	0	0	0	0
Transfers from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Disposals other than by sale	0	-1,169	0	0	0	-211	0	0	-1,380
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
De-recognition	0	0	0	0	0	0	0	0	0
Provided during the year	98	2,019	0	0	1,619	281	457	0	4,474
At 31 March 2024	196	2,968	0	0	3,138	339	945	0	7,586
Net book value at 1 April 2023	715	14,736	0	0	6,954	290	1,172	0	23,867
Net book value at 31 March 2024	617	9,212	0	0	5,920	521	1,100	0	17,370
RoU Asset Total Value Split by Lessor									
Lessor	Land £000	buildings £000	Buildings £000	Dwellings £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
NHS Wales Peppercorn Leases	0	0	0	0	0	0	0	0	0
NHS Wales Market Value Leases	0	0	0	0	0	0	0	0	0
Other Public Sector Peppercorn Leases	606	296	0	0	0	0	0	0	902
Other Public Sector Market Value Leases	11	1,153	0	0	0	0	0	0	1,164
Private Sector Peppercorn Leases	0	0	0	0	0	0	0	0	0
Private Sector Market Value Leases	0	7,763	0	0	5,920	521	1,100	0	15,304
Total	617	9,212	0	0	5,920	521	1,100	0	17,370

11.3 Right of Use Assets continued

Quantitative disclosures

	2024-25	2024-25	2024-25	2024-25	2023-24
	Land	Buildings	Other	Total	Total
	£000	£000	£000	£000	£000
Maturity analysis					
Contractual undiscounted cash flows relating to lease liabilities					
Less than 1 year	0	1,853	2,238	4,091	3,710
2-5 years	1	5,078	2,554	7,633	7,550
> 5 years	11	6,147	1,133	7,291	6,157
Less finance charges allocated to future periods	-2	-1,645	-231	-1,878	-1,080
Total	10	11,433	5,694	17,137	16,337
Lease Liabilities (net of irrecoverable VAT)				2024-25	2023-24
Current				3,708	3,445
Non-Current				13,429	12,892
Total				17,137	16,337
Amounts Recognised in Statement of Comprehensive Net Expenditure				2024-25	2023-24
Depreciation				3,896	4,474
Impairment				0	0
Variable lease payments not included in lease liabilities - Interest expense				353	274
Sub-leasing income				(2)	(2)
Expense related to short-term leases				367	713
Expense related to low-value asset leases (excluding short-term leases)				973	936
Amounts Recognised in Statement of Cashflows (net of irrecoverable VAT)					
Interest expense				(353)	(274)
Repayments of principal on leases				(3,846)	(4,099)
Total				(4,199)	(4,373)

12. Intangible non-current assets

2024-25

	Software (purchased)	Software (internally generated)	Licences and trademarks	Patents	Development expenditure- internally generated	Assets under Construction	Total
	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2024	3,531	0	2,924	0	0	1,063	7,518
Revaluation	0	0	27	0	0	0	27
Reclassifications	21	0	158	0	0	(179)	0
Reversal of impairments	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0
Additions- purchased	15	0	2,064	0	0	157	2,236
Additions- internally generated	0	0	0	0	0	0	0
Additions- donated	0	0	0	0	0	0	0
Additions- government granted	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0
Transfer from/into other NHS bodies	0	0	0	0	0	0	0
Disposals	(449)	0	(87)	0	0	0	(536)
Gross cost at 31 March 2025	3,118	0	5,086	0	0	1,041	9,245
Amortisation at 1 April 2024	1,800	0	1,033	0	0	0	2,833
Revaluation	0	0	(15)	0	0	0	(15)
Reclassifications	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0
Impairment	0	0	0	0	0	0	0
Provided during the year	701	0	1,263	0	0	0	1,964
Reclassified as held for sale	0	0	0	0	0	0	0
Transfer from/into other NHS bodies	0	0	0	0	0	0	0
Disposals	(449)	0	(87)	0	0	0	(536)
Amortisation at 31 March 2025	2,052	0	2,194	0	0	0	4,246
Net book value at 1 April 2024	1,731	0	1,891	0	0	1,063	4,685
Net book value at 31 March 2025	1,066	0	2,892	0	0	1,041	4,999
NBV at 31 March 2025							
Purchased	1,066	0	2,892	0	0	1,041	4,999
Donated	0	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0	0
Internally generated	0	0	0	0	0	0	0
Total at 31 March 2025	1,066	0	2,892	0	0	1,041	4,999

12. Intangible non-current assets

2023-24

	Software (purchased)	Software (internally generated)	Licences and trademarks	Patents	Development expenditure- internally generated	Assets under Construction	Total
	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2023	3,547	0	7,772	0	0	0	11,319
Revaluation	0	0	0	0	0	0	0
Reclassifications	35	0	0	0	0	548	583
Reversal of impairments	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	(438)	(438)
Additions- purchased	50	0	716	0	0	953	1,719
Additions- internally generated	0	0	0	0	0	0	0
Additions- donated	0	0	0	0	0	0	0
Additions- government granted	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0
Transfer from/into other NHS bodies	0	0	0	0	0	0	0
Disposals	(101)	0	(5,564)	0	0	0	(5,665)
Gross cost at 31 March 2024	3,531	0	2,924	0	0	1,063	7,518
Amortisation at 31 March bf	1,129	0	5,099	0	0	0	6,228
NHS Wales Transfers	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0
Amortisation at 1 April 2023	1,129	0	5,099	0	0	0	6,228
Revaluation	0	0	(114)	0	0	0	(114)
Reclassifications	35	0	0	0	0	0	35
Reversal of impairments	0	0	0	0	0	0	0
Impairment	0	0	0	0	0	0	0
Provided during the year	737	0	1,612	0	0	0	2,349
Reclassified as held for sale	0	0	0	0	0	0	0
Transfer from/into other NHS bodies	0	0	0	0	0	0	0
Disposals	(101)	0	(5,564)	0	0	0	(5,665)
Amortisation at 31 March 2024	1,800	0	1,033	0	0	0	2,833
Net book value at 1 April 2023	2,418	0	2,673	0	0	0	5,091
Net book value at 31 March 2024	1,731	0	1,891	0	0	1,063	4,685
NBV at 31 March 2024							
Purchased	1,731	0	1,891	0	0	1,063	4,685
Donated	0	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0	0
Internally generated	0	0	0	0	0	0	0
Total at 31 March 2024	1,731	0	1,891	0	0	1,063	4,685

Additional Disclosures re Intangible Assets

Disclosures:

i) Donated Assets

Aneurin Bevan University LHB has not received any donated intangible assets during the year.

ii) Recognition

Intangible assets acquired separately are initially recognised at fair value. The amount recognised for internally-generated intangible assets is the sum of the expenditure incurred to date when the criteria for recognising internally generated assets has been met (see accounting policy 1.7 for criteria).

iii) Asset Lives

The useful economic life of Intangible non-current assets are assigned on an individual asset basis. Software is generally assigned a 5 year UEL and the UEL of internally generated software is based on the professional judgement of LHB professionals and Finance staff.

iv) Additions during the period

Intangible assets acquired during the period amounted to £2.236m; this was primarily on software licence renewals and new purchases.

v) Disposals during the period

Fully amortised software and licences with a GBV of £0.536m were disposed of as no longer in use, during the year.

vi) Transfers into other NHS Bodies

Aneurin Bevan LHB has not received any intangible assets transferred from another NHS body.

13 . Impairments

	2024-25 Property, plant & equipment £000	2024-25 Right of Use Assets £000	2024-25 Intangible assets £000	2024-25 Held for sale assets £000	2024-25 Financial Assets £000	2024-25 Total Asset Impairment £000
Impairments arising from :						
Loss or damage from normal operations	236	0	0	0	0	236
Abandonment in the course of construction	0	0	0	0	0	0
Over specification of assets (Gold Plating)	0	0	0	0	0	0
Loss as a result of a catastrophe	0	0	0	0	0	0
Unforeseen obsolescence	0	0	0	0	0	0
Changes in market price	0	0	0	0	0	0
Others (specify)	15,982	0	0	0	0	15,982
Reversal of Impairments	(14,401)	0	0	0	0	(14,401)
Total of all impairments	1,817	0	0	0	0	1,817

Analysis of impairments charged to reserves in year :

Impairments charged to the Statement of Comprehensive Net Expenditure	1,817	0	0	0	0	1,817
Impairments as a result of revaluation/indexation charged to Revaluation Reserve	0	0	0	0	0	0
Impairments as a result of a loss of economic value or service potential Charged to Revaluation Reserve	0	0	0	0	0	0
Right of Use (RoU) asset impairments reflected in RoU Liability	0	0	0	0	0	0
Total	1,817	0	0	0	0	1,817

	2023-24 Property, plant & equipment £000	2023-24 Right of Use Assets £000	2023-24 Intangible assets £000	2023-24 Held for sale assets £000	2023-24 Financial Assets £000	2023-24 Total Asset Impairment £000
Impairments arising from :						
Loss or damage from normal operations	0	0	0	0	0	0
Abandonment in the course of construction	0	0	438	0	0	438
Over specification of assets (Gold Plating)	0	0	0	0	0	0
Loss as a result of a catastrophe	0	0	0	0	0	0
Unforeseen obsolescence	0	0	0	0	0	0
Changes in market price	0	0	0	0	0	0
Others (specify)	31,284	0	0	0	0	31,284
Reversal of Impairments	(19,552)	0	0	0	0	(19,552)
Total of all impairments	11,732	0	438	0	0	12,170

Analysis of impairments charged to reserves in year :

Impairments charged to the Statement of Comprehensive Net Expenditure	9,732	0	438	0	0	10,170
Impairments as a result of revaluation/indexation charged to Revaluation Reserve	2,000	0	0	0	0	2,000
Impairments as a result of a loss of economic value or service potential Charged to Revaluation Reserve	0	0	0	0	0	0
Right of Use (RoU) asset impairments reflected in RoU Liability	0	0	0	0	0	0
Total	11,732	0	438	0	0	12,170

2024-25	Impairment amount £000	Reason for impairment £000	Nature of Asset £000	Valuation basis £000	Charge to SoCNE £000	Charge to reserve £000
19 Hills HWBC (Newport East)	12,142	Assets Valued on Coming Into Use	Operational	Fair Value	12,142	0
Glan Usk Roof, St Cadocs Hospital	878	Assets Valued on Coming Into Use	Operational	Fair Value	878	0
CAMHS, St Cadocs Hospital	871	Assets Valued on Coming Into Use	Operational	Fair Value	871	0
GUH Discharge Lounge	797	Assets Valued on Coming Into Use	Operational	Fair Value	797	0
B Block Infrastructure, RGH	466	Assets Valued on Coming Into Use	Operational	Fair Value	466	0
Ty Gwent	443	Assets Valued on Coming Into Use	Operational	Fair Value	443	0
Cordell Centre, RGH	243	Assets Valued on Coming Into Use	Operational	Fair Value	243	0
D7W Ward Refurb, RGH	142	Assets Valued on Coming Into Use	Operational	Fair Value	142	0
19 Hills HWBC (Newport East)	236	Loss or damage from normal operations	Operational	Fair Value	236	0
Total Impairment	16,218				16,218	0

Reversal of Impairments

(6,456)	VAT Recovery adjustment - no reduction to asset value	Operational	Fair Value	(6,456)	0
(133)	Indexation - reversal of impairment in previous years	Operational	Indexation	(133)	0
(5,053)	Grange University Hospital	Operational	Indexation	(5,053)	0
(1,149)	Royal Gwent	Operational	Indexation	(1,149)	0
(724)	Ysbyty Aneurin Bevan	Operational	Indexation	(724)	0
(526)	Neville Hall	Operational	Indexation	(526)	0
(147)	Bevan Health Centre	Operational	Indexation	(147)	0
(99)	Ysbyty Ystrad Fawr	Operational	Indexation	(99)	0
(63)	Llanfrecfha Grange	Operational	Indexation	(63)	0
(47)	St Cadocs	Operational	Indexation	(47)	0
(4)	Various Community Sites	Operational	Indexation	(4)	0
Total Reversal of Impairments	(14,401)			(14,401)	0
Net credit to SoCNE	1817			1817	0

The impairment losses disclosed above as "other" comprises:

14.1 Inventories

	31 March 2025 £000	31 March 2024 £000
Drugs	3,753	3,095
Consumables	6,430	6,482
Energy	250	267
Work in progress	0	0
Other	0	0
Total	10,433	9,844
Of which held at realisable value	0	0

14.2 Inventories recognised in expenses

	31 March 2025 £000	31 March 2024 £000
Inventories recognised as an expense in the period	0	0
Write-down of inventories (including losses)	0	0
Reversal of write-downs that reduced the expense	0	0
Total	0	0

15. Trade and other Receivables

Current	31 March 2025 £000	31 March 2024 £000
Welsh Government	2,406	2,246
NWJCC/ WHSSC and EASC	478	2,911
Welsh Health Boards	3,753	3,971
Welsh NHS Trusts	7,109	5,901
Welsh Special Health Authorities	1,037	1,044
Non - Welsh Trusts	0	24
Other NHS	1,426	267
2019-20 Scheme Pays - Welsh Government Reimbursement	686	604
Welsh Risk Pool Claim reimbursement		
NHS Wales Secondary Health Sector	125,057	93,727
NHS Wales Primary Sector FLS Reimbursement	883	920
NHS Wales Redress	422	502
Other	412	791
Local Authorities	5,617	5,468
Capital receivables - Tangible	0	0
Capital receivables - Intangible	0	0
Other receivables	10,929	12,766
Provision for irrecoverable debts	(2,015)	(1,942)
Pension Prepayments NHS Pensions	0	0
Pension Prepayments NEST	0	0
Other prepayments	8,960	7,373
Other accrued income	0	0
Sub total	167,160	136,573
Non-current		
Welsh Government	0	0
NWJCC/WHSSC and EASC	0	0
Welsh Health Boards	0	0
Welsh NHS Trusts	0	0
Welsh Special Health Authorities	0	0
Non - Welsh Trusts	0	0
Other NHS	0	0
2019-20 Scheme Pays - Welsh Government Reimbursement	0	0
Welsh Risk Pool Claim reimbursement;		
NHS Wales Secondary Health Sector	104,507	142,085
NHS Wales Primary Sector FLS Reimbursement	10	0
NHS Wales Redress	0	0
Other	0	744
Local Authorities	0	0
Capital receivables - Tangible	0	0
Capital receivables - Intangible	0	0
Other receivables	1,366	1,237
Provision for irrecoverable debts	0	0
Pension Prepayments NHS Pensions	0	0
Pension Prepayments NEST	0	0
Other prepayments	0	0
Other accrued income	0	0
Sub total	105,883	144,066
Total	273,043	280,639

The great majority of trade is with other NHS bodies. As NHS bodies are funded by Welsh Government, no credit scoring of them is considered necessary.

The value of trade receivables that are past their payment date but not impaired is £3.286m (£3.875m in 2023-24).

15. Trade and other Receivables (continued)

Receivables past their due date but not impaired

	31 March 2025 £000	31 March 2024 £000
By up to three months	1,420	1,922
By three to six months	142	383
By more than six months	1,724	1,570
	3,286	3,875

Expected Credit Losses (ECL) / Provision for impairment of receivables

Balance at 1 April	(1,942)	(1,763)
Transfer to other NHS Wales body	0	0
Amount written off during the year	0	20
Amount recovered during the year	0	0
(Increase) / decrease in receivables impaired	(58)	(176)
Bad debts recovered during year	(15)	(22)
Balance at 31 March	(2,015)	(1,942)

In determining whether a debt should be impaired, consideration is given to the age of the debt, historic collectability rates and the results of actions already taken including referral to the Health Board's credit agencies.

Receivables VAT

Trade receivables	1,295	2,091
Other	137	195
Total	1,432	2,286

16. Other Financial Assets

	Current		Non-current	
	31 March	31 March	31 March	31 March
	2025	2024	2025	2024
	£000	£000	£000	£000
Financial assets				
Shares and equity type investments				
Held to maturity investments at amortised costs	0	0	0	0
At fair value through SOCNE	0	0	0	0
Available for sale at FV	0	0	0	0
Deposits	0	0	0	0
Loans	36	35	417	452
Derivatives	0	0	0	0
Other (Specify)				
Right of Use Asset Finance Sublease	24	24	190	215
Held to maturity investments at amortised costs	0	0	0	0
At fair value through SOCNE	0	0	0	0
Available for sale at FV	0	0	0	0
Total	60	59	607	667

RoU Sub-leasing income Recognised in Statement of Comprehensive Net Expenditure	2024-25	2023-24
RoU Sub-leasing income	-2	-2

17. Cash and cash equivalents

	2024-25	2023-24
	£000	£000
Balance at 1 April	4,145	4,704
Net change in cash and cash equivalent balances	678	(559)
Balance at 31 March	4,823	4,145
Made up of:		
Cash held at GBS	4,801	4,122
Commercial banks	0	0
Cash in hand	22	23
Cash and cash equivalents as in Statement of Financial Position	4,823	4,145
Bank overdraft - GBS	0	0
Bank overdraft - Commercial banks	0	0
Cash and cash equivalents as in Statement of Cash Flows	4,823	4,145

In response to the IAS 7 requirement for additional disclosure, the changes in liabilities arising for financing activities are;

Lease Liabilities (ROUA) £0.800m
Lease Liabilities (short-term and low value leases) -£0.318m
PFI liabilities: -£0.609m

The movement relates to cash, no comparative information is required by IAS 7 in 2024-25.

18. Trade and other payables

Current	31 March 2025 £000	31 March 2024 £000
Welsh Government	12	22
NWJCC/WHSSC and EASC	3,785	4,681
Welsh Health Boards	5,590	5,964
Welsh NHS Trusts	3,954	5,416
Welsh Special Health Authorities	61	39
Other NHS	7,336	7,477
Taxation and social security payable / refunds	17,338	16,072
Refunds of taxation by HMRC	0	0
VAT payable to HMRC	0	0
Other taxes payable to HMRC	0	0
NI contributions payable to HMRC	0	0
Non-NHS payables - Revenue	59,008	56,658
Local Authorities	16,397	19,638
Capital payables- Tangible	8,766	6,493
Capital payables- Intangible	112	147
Overdraft	0	0
Rentals due under operating leases	0	0
RoU Lease Liability	3,708	3,445
Obligations under finance leases, HP contracts		
Imputed finance lease element of on SoFP PFI contracts	125	638
Impact of IFRS 16 on SoFP PFI contracts	122	108
Pensions: staff	11,571	10,718
Non NHS Accruals	77,652	74,734
Deferred Income:		
Deferred Income brought forward	0	0
Deferred Income Additions	0	0
Transfer to / from current/non current deferred income	0	0
Released to SoCNE	0	0
Other creditors	0	0
PFI assets –deferred credits	0	0
Payments on account	(10,711)	(10,088)
Sub Total	204,826	202,162
Non-current		
Welsh Government	0	0
NWJCC/WHSSC and EASC	0	0
Welsh Health Boards	0	0
Welsh NHS Trusts	0	0
Welsh Special Health Authorities	0	0
Other NHS	0	0
Taxation and social security payable / refunds	0	0
Refunds of taxation by HMRC	0	0
VAT payable to HMRC	0	0
Other taxes payable to HMRC	0	0
NI contributions payable to HMRC	0	0
Non-NHS payables - Revenue	0	0
Local Authorities	0	0
Capital payables- Tangible	0	0
Capital payables- Intangible	0	0
Overdraft	0	0
Rentals due under operating leases	0	0
RoU Lease Liability	13,429	12,892
Obligations under finance leases, HP contracts		
Imputed finance lease element of on SoFP PFI contracts	1,464	1,590
Impact of IFRS 16 on SoFP PFI contracts	1,421	1,406
Pensions: staff	0	0
Non NHS Accruals	0	0
Deferred Income :		
Deferred Income brought forward	0	0
Deferred Income Additions	0	0
Transfer to / from current/non current deferred income	0	0
Released to SoCNE	0	0
Other creditors	0	0
PFI assets –deferred credits	0	0
Payments on account	0	0
Sub Total	16,314	15,888
Total	221,140	218,050

It is intended to pay all invoices within the 30 day period directed by the Welsh Government.

The LHB aims to pay all invoices within the 30 day period directed by the Welsh Government.

The Capital Payables - Tangibles figure includes balances that have been agreed with Welsh NHS Trusts, as part of the Agreement of Balances process, totalling £52K.

18. Trade and other payables (continued).

Amounts falling due more than one year are expected to be settled as follows:	31 March	31 March
	2025	2024
	£000	£000
Between one and two years	2,601	3,182
Between two and five years	5,136	4,810
In five years or more	8,577	7,896
Sub-total	16,314	15,888

19. Other financial liabilities

Financial liabilities	Current		Non-current	
	31 March	31 March	31 March	31 March
	2025	2024	2025	2024
	£000	£000	£000	£000
Financial Guarantees:				
At amortised cost	0	0	0	0
At fair value through SoCNE	0	0	0	0
Derivatives at fair value through SoCNE	0	0	0	0
Other:				
At amortised cost	0	0	0	0
At fair value through SoCNE	0	0	0	0
Total	0	0	0	0

20. Provisions

	At 1 April 2024	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2025
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Current									
Clinical negligence:-									
Secondary care	64,140	(3,887)	1,586	34,629	28,319	(18,490)	(15,647)	0	90,650
Primary care	791	0	0	0	91	(94)	(42)	0	746
Redress Secondary care	263	0	3	0	326	(287)	(146)	0	159
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	37	0	0	0	162	(136)	(14)	0	49
All other losses and special payments	0	0	0	0	1,062	(1,062)	0	0	0
Defence legal fees and other administration	1,954	0	0	(419)	1,244	(939)	(395)		1,445
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	397			107	418	(405)	(189)	72	400
2019-20 Scheme Pays - Reimbursement	7			0	26	0	0	0	33
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	1,727			0	524	(1,115)	(65)	0	1,071
Other	2,511		0	0	2,614	0	(1,108)		4,017
Total	71,827	(3,887)	1,589	34,317	34,786	(22,528)	(17,606)	72	98,570
Non Current									
Clinical negligence:-									
Secondary care	142,027	0	0	(34,629)	20,546	(706)	(26,517)	0	100,721
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	0	0	0	0	0	0	0	0	0
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	3,027	0	0	0	466	(330)	(67)	73	3,169
All other losses and special payments	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	1,017	0	0	419	732	(247)	(167)		1,754
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	2,586			(107)	0	0	0	0	2,479
2019-20 Scheme Pays - Reimbursement	597			0	55	0	0	0	652
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	0			0	0	0	0	0	0
Other	393		0	0	249	(100)	(163)		379
Total	149,647	0	0	(34,317)	22,048	(1,383)	(26,914)	73	109,154
TOTAL									
Clinical negligence:-									
Secondary care	206,167	(3,887)	1,586	0	48,865	(19,196)	(42,164)	0	191,371
Primary care	791	0	0	0	91	(94)	(42)	0	746
Redress Secondary care	263	0	3	0	326	(287)	(146)	0	159
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	3,064	0	0	0	628	(466)	(81)	73	3,218
All other losses and special payments	0	0	0	0	1,062	(1,062)	0	0	0
Defence legal fees and other administration	2,971	0	0	0	1,976	(1,186)	(562)		3,199
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	2,983			0	418	(405)	(189)	72	2,879
2019-20 Scheme Pays - Reimbursement	604			0	81	0	0	0	685
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	1,727			0	524	(1,115)	(65)	0	1,071
Other	2,904		0	0	2,863	(100)	(1,271)		4,396
Total	221,474	(3,887)	1,589	0	56,834	(23,911)	(44,520)	145	207,724

Expected timing of cash flows:

	In year to 31 March 2026	Between 1 April 2026 31 March 2030	Thereafter	Total
				£000
Clinical negligence:-				
Secondary care	90,650	100,721	0	191,371
Primary care	746	0	0	746
Redress Secondary care	159	0	0	159
Redress Primary care	0	0	0	0
Personal injury	49	3,169	0	3,218
All other losses and special payments	0	0	0	0
Defence legal fees and other administration	1,445	1,754	0	3,199
Pensions relating to former directors	0	0	0	0
Pensions relating to other staff	400	2,479	0	2,879
2019-20 Scheme Pays - Reimbursement	33	652	0	685
Restructuring	0	0	0	0
RoU Asset Dilapidations CAME	0	0	0	0
Other Capital Provisions	1,071	0	0	1,071
Other	4,017	379	0	4,396
Total	98,570	109,154	0	207,724

The expected timing of cash flows are based on best available information; but they could change on the basis of individual case changes. The claims outstanding with the Welsh Risk Pool are based on best estimates of settlement of claims provided by the Health Board's legal advisors. The Health Board estimates that in 2025/26 it will receive £91k and in 2026/27 and beyond £102k from the Welsh Risk Pool in respect of clinical negligence and personal injury payments.

Other provisions include: Continuing Healthcare Independent Review Panel (IRP) & Ombudsman claims £379K. The estimation method used to calculate the provision for 2024/25 is consistent with the methodology used in 2023/24. In the continuing absence of detailed assessment information the Health Board has used a mixture of actual assessments and the application of an expected success factor and average weekly costs to determine whether an individual claimant provision would be established.

Other provisions include an amount for Ancillary Staff Banked Annual Leave Payments, potential VAT payment to HMRC and Capital provision. The total Health Board provision also includes an amount of £164K which relates to 22 Redress cases where offers have been made to the families but not yet accepted or breach and causation have been proven.

20. Provisions (continued)

	At 1 April 2023	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2024
Current	£000	£000	£000	£000	£000	£000	£000	£000	£000
Clinical negligence:-									
Secondary care	80,878	(10,810)	4,456	652	33,576	(25,049)	(19,563)	0	64,140
Primary care	79	0	0	0	820	(105)	(3)	0	791
Redress Secondary care	331	0	(1)	0	363	(288)	(142)	0	263
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	479	0	0	0	436	(631)	(247)	0	37
All other losses and special payments	0	0	0	0	821	(821)	0	0	0
Defence legal fees and other administration	2,306	0	0	181	1,402	(1,314)	(621)		1,954
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	385			41	401	(401)	(103)	74	397
2019-20 Scheme Pays - Reimbursement	6			0	1	0	0	0	7
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	449			0	1,278	0	0	0	1,727
Other	2,367		0	0	1,429	(3)	(1,282)		2,511
Total	87,280	(10,810)	4,455	874	40,527	(28,612)	(21,961)	74	71,827
Non Current									
Clinical negligence:-									
Secondary care	74,527	0	0	(652)	76,834	(948)	(7,734)	0	142,027
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	0	0	0	0	0	0	0	0	0
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	2,770	0	0	0	545	(356)	0	68	3,027
All other losses and special payments	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	775	0	0	(181)	587	(104)	(60)		1,017
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	2,627			(41)	0	0	0	0	2,586
2019-20 Scheme Pays - Reimbursement	136			0	461	0	0	0	597
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	0			0	0	0	0	0	0
Other	351		0	0	272	(140)	(90)		393
Total	81,186	0	0	(874)	78,699	(1,548)	(7,884)	68	149,647
TOTAL									
Clinical negligence:-									
Secondary care	155,405	(10,810)	4,456	0	110,410	(25,997)	(27,297)	0	206,167
Primary care	79	0	0	0	820	(105)	(3)	0	791
Redress Secondary care	331	0	(1)	0	363	(288)	(142)	0	263
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	3,249	0	0	0	981	(987)	(247)	68	3,064
All other losses and special payments	0	0	0	0	821	(821)	0	0	0
Defence legal fees and other administration	3,081	0	0	0	1,989	(1,418)	(681)		2,971
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	3,012			0	401	(401)	(103)	74	2,983
2019-20 Scheme Pays - Reimbursement	142			0	462	0	0	0	604
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	449			0	1,278	0	0	0	1,727
Other	2,718		0	0	1,701	(143)	(1,372)		2,904
Total	168,466	(10,810)	4,455	0	119,226	(30,160)	(29,845)	142	221,474

The expected timing of cash flows are based on best available information; but they could change on the basis of individual case changes. The claims outstanding with the Welsh Risk Pool are based on best estimates of settlement of claims provided by the Health Board's legal advisors. The Health Board estimates that in 2024/25 it will receive £65,272K and in 2025/26 and beyond £142,829K from the Welsh Risk Pool in respect of clinical negligence and personal injury payments.

Other provisions include: Continuing Healthcare Independent Review Panel (IRP) & Ombudsman claims £393K. The estimation method used to calculate the provision for 2023/24 is consistent with the methodology used in 2022/23. In the continuing absence of detailed assessment information the Health Board has used a mixture of actual assessments and the application of an expected success factor and average weekly costs to determine whether an individual claimant provision would be established.

Other provisions include an amount for Ancillary Staff Banked Annual Leave Payments, potential VAT payment to HMRC and Capital provision.

The total Health Board provision also includes an amount of £270K which relates to 33 Redress cases where offers have been made to the families but not yet accepted or breach and causation have been proven.

Provision (Continued)

Pensions tax annual allowance – Scheme Pays arrangements 2019/20

In accordance with a Ministerial Direction issued on 18 December 2019, the Welsh Government have taken action to support circumstances where pensions tax rules are impacting upon clinical staff who want to work additional hours, and have determined that:

Clinical staff who are members of the NHS Pension Scheme and who, as a result of work undertaken in the 2019-20 tax year, face a tax charge on the growth of their NHS pension benefits, may opt to have this charge paid by the NHS Pension Scheme, with their pension reduced on retirement.

Welsh Government, on behalf of the Aneurin Bevan University Health Board, will pay the members who opt for reimbursement of their pension, a corresponding amount on retirement, ensuring that they are fully compensated for the effect of the deduction.

This scheme will be funded directly by the Welsh Government to the NHS Business Services Authority Pension Division, the administrators on behalf of the Welsh claimants.

Clinical staff have until 31 March 2022 to opt for this scheme and the ability to make changes up to 31 July 2026.

The Health Board have included a Scheme Pay provision of £685,920 (as notified by Welsh Government) within these accounts.

21. Contingencies

21.1 Contingent liabilities

	2024-25 £'000	2023-24 £'000
Provisions have not been made in these accounts for the following amounts :		
Legal claims for alleged medical or employer negligence:-		
Secondary care	305,930	271,446
Primary care	1,470	547
Redress Secondary care	63	3
Redress Primary care	0	0
Doubtful debts	0	0
Equal Pay costs	0	0
Defence costs	4,364	4,244
Continuing Health Care costs	1,388	1,483
Other	0	0
Total value of disputed claims	313,215	277,723
Amounts (recovered) in the event of claims being successful	(307,921)	(272,258)
Net contingent liability	5,294	5,465

Other litigation claims could arise in the future due to known incidents. The expenditure which may arise from such claims cannot be determined and no provision has been made for them. The value of legal claims has increased by £36m from the value of legal claims in 2023-24, while the number of claims has increased from 236 in 2023-24 to 252 in 2024-25.

Liability for Permanent Injury Benefit under the NHS Injury Benefit Scheme lies with the employer. Individual claims to the NHS Pensions Agency could arise due to known incidents.

Continuing Healthcare Cost uncertainties

The Health Board continues to review claims for reimbursement of retrospective care payments (IRPs). As a consequence, there has been a movement in the level of provision and uncertainty including in these Accounts.

Note 20 sets out the £0.379m provision made for probable continuing care costs relating to 69 outstanding phase 9 and 10 claims received by 31st March 2025. This compares with the 2023/24 provision of £0.393m and 69 outstanding phase 3 to 8 claims.

Note 21.1 also sets out the £1.388m contingent liability for possible additional continuing care costs relating to those claims if they are all settled and in full, comparing favourably with the £1.483m reported for 2023/24.

There are still 4 new (Phase 10) claims, which have been received whereby the assessment process remains incomplete, as we are still awaiting full details to support the claims. The assessment process is highly complex and involves a multi-disciplinary teams and for those reasons can take many months. At this stage, the HB does not have enough information to make a judgement on the likely success or otherwise of these claims, however, they may result in additional costs to the HB, which cannot be quantified at this time.

21.2 Remote Contingent liabilities

	2024-25 £000	2023-24 £000
Guarantees	0	0
Indemnities	428	24,064
Letters of Comfort	0	0
Total	428	24,064

The remote contingent liabilities cost consists of 3 medical negligence cases and 1 personal injury case in 2024-25 (3 medical negligence cases and 1 GP indemnity case in 2023-24). Should these cases progress the majority of the costs incurred, in excess of £25K per case attributable to the Health Board, will be recovered from the Welsh Risk Pool.

21.3 Contingent assets

	2024-25 £000	2023-24 £000
	0	0
Total	0	0

22. Capital commitments

Contracted capital commitments at 31 March

The disclosure of future capital commitments not already disclosed as liabilities in the accounts.

	2024-25 £000	2023-24 £000
Property, plant and equipment	12,365	25,569
Right of Use Assets	0	0
Intangible assets	14	173
Total	12,379	25,742

23. Losses and special payments

Losses and special payments are charged to the Statement of Comprehensive Net Expenditure in accordance with IFRS but are recorded in the losses and special payments register when payment is made. Therefore, the payments in this note for settlement and claimant costs are prepared on a cash basis.

Gross loss to the Exchequer

23.1 Number of cases and associated amounts paid out during the financial year

	Amounts paid out during period to 31 March 2025	
	Number of cases	£
Clinical negligence:-		
Secondary Care	119	19,196,632
Primary Care	5	93,520
Redress Secondary Care	25	287,319
Redress Primary Care	0	0
Personal injury	41	465,650
All other losses and special payments	41	161,702
Total	231	20,204,823

23.2 Analysis of number of cases and associated amounts paid out during the financial year

	Case Type	In year cases in excess of £300,000		Cumulative amount
L&R Case reference number		Number of cases	£	£
Cases in excess of £300,000:				
	Medical Negligence	MN/107/2757	540,898	583,798
	Medical Negligence	MN/107/3440	1,515,750	1,515,750
	Medical Negligence	MN/107/2166	706,227	706,227
	Medical Negligence	MN/107/3712	880,000	880,000
	Medical Negligence	MN/107/0942	1,993,559	1,993,559
	Medical Negligence	MN/107/2837	765,000	795,000
	Medical Negligence	MN/107/0404	438,431	438,431
	Medical Negligence	MN/107/1102	450,000	450,000
	Medical Negligence	MN/107/2767	2,525,000	2,525,000
	Medical Negligence	MN/107/3793	557,499	557,499
	Medical Negligence	MN/107/4090	367,500	367,500
	Medical Negligence	MN/107/3718	1,509,500	1,799,106
		Number of cases	£	£
Sub-total		12	12,249,364	12,611,870
All other cases paid in year		219	7,955,459	27,391,517
Total cases paid in year		231	20,204,823	40,003,387

23.3 Analysis of number of cases and associated amounts where no payments were made in financial year

	Number of cases	£
Cumulative amount up to £300k	36	2,513,693
Cumulative amount greater than £300k	3	2,135,000
Total	39	4,648,693

24. Right of Use lease obligations**24.1 Obligations (as lessee)****Amounts payable under right of use asset leases:****2024-25**

	LAND	BUILDINGS	OTHER	TOTAL
	31 March	31 March	31 March	31 March
	2025	2025	2025	2025
	£000	£000	£000	£000
Minimum lease payments				
Within one year	0	1,853	2,238	4,091
Between one and five years	1	5,078	2,554	7,633
After five years	11	6,147	1,133	7,291
Less finance charges allocated to future periods	(2)	(1,645)	(231)	(1,878)
Minimum lease payments	10	11,433	5,694	17,137
Included in:				
Current borrowings	0	1,567	2,141	3,708
Non-current borrowings	10	9,866	3,553	13,429
	10	11,433	5,694	17,137
Present value of minimum lease payments				
Within one year	0	1,567	2,141	3,708
Between one and five years	1	4,241	2,436	6,678
After five years	9	5,625	1,117	6,751
Present value of minimum lease payments	10	11,433	5,694	17,137
Included in:				
Current borrowings	0	1,567	2,141	3,708
Non-current borrowings	10	9,866	3,553	13,429
	10	11,433	5,694	17,137

2023-24

	LAND	BUILDINGS	OTHER	TOTAL
	31 March	31 March	31 March	31 March
	2024	2024	2024	2024
	£000	£000	£000	£000
Minimum lease payments				
Within one year	0	1,531	2,179	3,710
Between one and five years	2	3,641	3,907	7,550
After five years	11	4,668	1,478	6,157
Less finance charges allocated to future periods	(2)	(762)	(316)	(1,080)
Minimum lease payments	11	9,078	7,248	16,337
Included in:				
Current borrowings	0	1,402	2,043	3,445
Non-current borrowings	11	7,676	5,205	12,892
	11	9,078	7,248	16,337
Present value of minimum lease payments				
Within one year	0	1,402	2,043	3,445
Between one and five years	1	3,250	3,755	7,006
After five years	10	4,426	1,450	5,886
Present value of minimum lease payments	11	9,078	7,248	16,337
Included in:				
Current borrowings	0	1,402	2,043	3,445
Non-current borrowings	11	7,676	5,205	12,892
	11	9,078	7,248	16,337

24.2 Right of Use Assets receivables (as lessor)

The Health Board has one Right of Use Assets lease receivable, as a lessor, at the balance sheet date.

Amounts receivable under right of use assets :

	31 March 2025 £000	31 March 2024 £000
Gross Investment in leases		
Within one year	26	26
Between one and five years	106	106
After five years	92	118
Less finance charges allocated to future periods	(9)	(11)
Minimum lease payments	<u>215</u>	<u>239</u>
Included in:		
Current financial assets	25	24
Non-current financial assets	<u>190</u>	<u>215</u>
	<u>215</u>	<u>239</u>
Present value of minimum lease payments		
Within one year	25	24
Between one and five years	100	99
After five years	90	116
Less finance charges allocated to future periods	0	0
Present value of minimum lease payments	<u>215</u>	<u>239</u>
Included in:		
Current financial assets	25	24
Non-current financial assets	<u>190</u>	<u>215</u>
	<u>215</u>	<u>239</u>

25. Private Finance Initiative contracts**25.1 PFI schemes off-Statement of Financial Position**

The LHB has one PFI Scheme that was previously classified as off-statement of financial position. The scheme related to the provision of replacement heating and lighting systems within Neville Hall hospital. The scheme commenced in 2000 for a period of 25 years. Since the introduction of IFRS 16 in 2022/23, the off-statement of Financial Position PFI has been recognised as a Right of use Asset.

Commitments under off-SoFP PFI contracts	Off-SoFP PFI contracts	Off-SoFP PFI contracts
	31 March 2025 £000	31 March 2024 £000
Total payments due within one year	0	0
Total payments due between 1 and 5 years	0	0
Total payments due thereafter	0	0
Total future payments in relation to PFI contracts	0	0
Total estimated capital value of off-SoFP PFI contracts	0	0

25.2 PFI schemes on-Statement of Financial Position

Capital value of scheme included in Fixed Assets Note 11	£000
Contract start date:	0
Contract end date:	Feb-00
	Mar-25

Chepstow Community Hospital - a new community hospital including the provision of ancillary support services. This scheme commenced in 1998 with unitary charge payments being made for a period of 25 years from February 2000. There is no obligation remaining for this scheme as the contract ended during 2024/25.

Capital value of scheme included in Fixed Assets Note 11	£000
Contract start date:	3,886
Contract end date:	Mar-04
	Mar-36

Monnow Vale Health and Social Care Facility - a new health and social care facility. This scheme commenced in 2006 with unitary charge payments being made for a period of 30 years from 2006. The obligation for the scheme is £3,132k. In 2024/25, the liability for the scheme was increased by £147k due to the IFRS16 requirement to reflect the impact of RPI increases within the scheme obligation.

Capital value of scheme included in Fixed Assets Note 11	£000
Contract start date:	0
Contract end date:	Sep-99
	Jun-24

Nevill Hall Hospital Day Surgery - a purpose built day unit including the provision of medical equipment for the unit. The PFI partner has responsibility for maintaining the building and replacing the equipment used with the unit. The scheme commenced in 1998 with unitary charge payments being made for a period of 25 years from 1999. There is no obligation remaining for this scheme as the contract ended during 2024/25.

Total obligations for on-Statement of Financial Position PFI contracts due:

2024-25	On SoFP PFI Capital element	On SoFP PFI IFRS 16 impact Finance Charge	On SoFP PFI Imputed interest	On SoFP PFI Service charges
	31 March 2025 £000	31 March 2025 £000	31 March 2025 £000	31 March 2025 £000
Total payments due within one year	125	122	86	735
Total payments due between 1 and 5 years	538	521	274	2,938
Total payments due thereafter	926	900	174	4,407
Total future payments in relation to PFI contracts	1,589	1,543	534	8,080

2023-24	On SoFP PFI Capital element	On SoFP PFI IFRS 16 impact Finance Charge	On SoFP PFI Imputed interest	On SoFP PFI Service charges
	31 March 2024 £000	31 March 2024 £000	31 March 2024 £000	31 March 2024 £000
Total payments due within one year	638	108	80	2,888
Total payments due between 1 and 5 years	523	462	338	2,856
Total payments due thereafter	1,067	944	222	5,080
Total future payments in relation to PFI contracts	2,228	1,514	640	10,824

	31/03/2025 £000
Total present value of obligations for on-SoFP PFI contracts	11,746

25.3 Charges to expenditure	2024-25	2023-24
	£000	£000
Service charges for On Statement of Financial Position PFI contracts (excl interest costs)	2,764	2,394
Total expense for Off Statement of Financial Position PFI contracts	0	0
The total charged in the year to expenditure in respect of PFI contracts	2,764	2,394

The LHB is committed to the following annual charges

PFI scheme expiry date:	£000	£000
Not later than one year	0	1,953
Later than one year, not later than five years	0	0
Later than five years	735	726
Total	735	2,679

The estimated annual payments in future years will vary from those which the Health Board is committed to make during the next year by the impact of movement in the Retail Prices Index.

25.4 Number of PFI contracts

	Number of on SoFP PFI contracts	Number of off SoFP PFI contracts
Number of PFI contracts	1	0
Number of PFI contracts which individually have a total commitment > £500m	0	0

PFI Contract	On / Off-statement of financial position
Number of PFI contracts which individually have a total commitment > £500m	0

PFI Contract

The LHB has one on-going PFI contract as at 31.03.25. As described in note 25.2, two of the LHB's PFI contracts have concluded during 2024/25.

25.5 The Health Board did not have any Public Private Partnerships during the year

26. Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. The Health Board is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which these standards mainly apply. The Health Board has limited powers to invest and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Health Board in undertaking its activities.

Currency risk

The Health Board is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the United Kingdom and Sterling based. The Health Board does not have any overseas operations. The Health Board therefore has low exposure to currency rate fluctuations.

Interest rate risk

Health Boards are not permitted to borrow and the Health Board therefore has low exposure to interest rate fluctuations.

Credit risk

As the majority of the Health Board's funding derives from funds voted by the Welsh Government the Health Board has low exposure to credit risk.

Liquidity risk

The Health Board is required to operate within cash limits set by the Welsh Government for the financial year and draws down funds from the Welsh Government as the requirement arises. The Health Board is not, therefore, exposed to significant liquidity risks.

27. Movements in working capital

	2024-25 £000	2023-24 £000
(Increase)/decrease in inventories	(589)	(268)
(Increase)/decrease in trade and other receivables - non-current	38,243	(66,541)
(Increase)/decrease in trade and other receivables - current	(30,588)	15,588
Increase/(decrease) in trade and other payables - non-current	426	(4,804)
Increase/(decrease) in trade and other payables - current	2,664	(19,962)
Total	10,156	(75,987)
Adjustment for accrual movements in fixed assets - creditors	(1,599)	1,791
Adjustment for accrual movements in fixed assets - debtors	(34)	(34)
Adjustment for accrual movements in right of use assets - creditors	(800)	6,135
Adjustment for accrual movements in right of use assets - debtors	(25)	(24)
Other adjustments	455	(943)
	8,153	(69,062)

28. Other cash flow adjustments

	2024-25 £000	2023-24 £000
Depreciation	46,127	47,475
Amortisation	1,964	2,349
(Gains)/Loss on Disposal	(41)	331
Impairments and reversals	1,817	10,170
Release of PFI deferred credits	0	0
NWSSP Covid assets issued debited to expenditure but non-cash	0	0
Covid assets received credited to revenue but non-cash	0	0
Donated assets received credited to revenue but non-cash	(78)	(136)
Government Grant assets received credited to revenue but non-cash	0	0
Right of Use Grant (Peppercorn Lease) credited to revenue but non cash	0	0
Non-cash movements in right of use assets	25	0
Non-cash movements in provisions	10,161	83,168
Other movements	51,797	32,067
Total	111,772	175,424

Other movements are Notional funding received for the

- LHB notional 9.4% Staff Employer Pension Contributions and
- 2019/20 Pensions Annual Allowance Charge Compensation Scheme

funded directly to the NHSBA Pensions Division by Welsh Government.

29. Events after the Reporting Period

These financial statements were authorised for issue by the Chief Executive and Accountable Officer on 30th June 2025 ;
post the date the financial statements were certified by the Auditor General for Wales.

30. Related Party Transactions

The Welsh Government is regarded as a related party of the Health Board. During the year the Health Board had a significant number of material revenue and capital transactions with either the Welsh Government or with other entities for which the Welsh Government is regarded as the parent body, namely:

	2024-25		As at 31st Ma
	Expenditure to related party	Income from related party	Amounts owed to related party
	£000	£000	£000
Welsh Government	3	3,372	0
Betsi Cadwaladr University Health Board	148	221	54
Cardiff & Vale University Health Board	40,630	2,259	3,506
Cwm Taf University Health Board	17,690	2,710	1,572
Hywel Dda University Health Board	421	343	17
Powys Teaching Health Board	175	14,166	30
Swansea Bay University Health Board	2,055	1,024	411
Public Health Wales NHS Trust	700	5,574	61
Velindre NHS Trust	108,052	6,111	5,588
Welsh Ambulance Services NHS Trust	294	183	407
NHS Wales Joint Commissioning Committee (WHSSC)	214,579	14,290	3,785
Digital Health and Care Wales (DHCW)	8,083	926	17
Health Education and Improvement Wales (HEIW)	0	15,590	44

In addition the LHB has had significant number of material transactions with other Government Departments and other central and local Government bodies. The most significant of these transactions are with the following:-

Government Body	2024-25		As at 31st Ma
	Expenditure to related party	Income from related party	Amounts owed to related party
	£000	£000	£000
Blaenau Gwent County Borough Council	2,210	889	2,153
Caerphilly County Borough Council	15,404	9,661	4,712
Monmouthshire County Council	5,627	1,068	1,734
Newport City Council	3,807	2,130	4,188
Torfaen County Borough Council	6,132	1,287	3,368

31. Third Party assets

The LHB held £33,690.04 cash at bank and in hand at 31 March 2025 (31st March 2024, £32,719.58) which relates to monies held by the LHB on behalf of patients. Cash held in patient Investment Accounts amounted to £0 at 31st March 2025 (31st March 2024, £0). This has been excluded from the Cash and Cash equivalents figure reported in the accounts.

In addition the LHB had located on its premises a significant quantity of consignment stock. This stock remains the property of the supplier until it is used. The value of consignment stock at 31 March 2025 amounted to £3.5m (£3.5m as at 31st March 2024).

32. Pooled budgets

The Health Board has five pooled budgets. The specific accounting treatment of each pooled budget is covered within Accounting Policies note 1.22.

Monnow Vale Health and Social Care Unit

The Health Board has entered into a pooled budget with Monmouthshire County Council. Under the arrangement funds are pooled under section 33 of the NHS (Wales) Act 2006 to provide health and social care inpatient, outpatient, clinic and day care facilities to individuals who have medical, social, community or rehabilitation needs and a memorandum note to the accounts provides details of the joint income and expenditure. The asset value of property, plant & equipment is **£5,397K** which is split 72% Aneurin Bevan Health Board and 28% Monmouthshire County Council. The costs incurred under the pooled budget is declared in the memorandum trading account.

	Cash	Contribution	Grants	2024/25 £000	2023/24 £000
Pooled Budget contributions					
Aneurin Bevan University Health Board	-	2,965	-	2,965	2,863
Monmouthshire County Council	439	943	-	1,382	1,309
Total Pooled Budget contributions for the year	439	943	-	4,347	4,172
Expenditure					
Aneurin Bevan Health Board	-	3,271	-	3,271	3,220
Monmouthshire County Council	617	885	-	1,501	1,447
Total Expenditure for the year	617	4,156	0	4,772	4,667
Net Surplus/(Deficit) on the Pooled Budget for the Year	178	3,212	0	(425)	(495)

Gwent Wide Integrated Community Equipment Service

The Health Board has entered into a pooled budget with the 5 Local Authorities in the Gwent area, namely Blaenau Gwent, Caerphilly, Monmouth, Newport and Torfaen County Borough Councils, for the provision of an effective integrated GWICES (Gwent Wide Integrated Community Equipment Service) to service users who are resident in the partners' localities. Under the arrangement funds are pooled under section 33 of the NHS (Wales) Act 2006 for the joint equipment store in the Gwent area. The Health Board accounts for its share of the assets, liabilities, income and expenditure arising from the activities of the pooled budget, identified in accordance with the pooled budget agreement. The LHB's contribution is **£1,292K** for 2024/25 (£971K in 2023/24).

The Health Board is waiting for the lead Local Authority partner to publish the Memorandum Account for 2024/25, at which point the below disclosure will be completed.

	2024/25 £000	2023/24 £000
Pooled Budget contributions		
Blaenau Gwent County Borough Council	0	298
Caerphilly County Borough Council	0	520
Monmouthshire County Borough Council	0	406
Newport City Council	0	377
Torfaen County Borough Council	0	1,475
Aneurin Bevan University Health Board	0	938
CRT	0	124
Contribution to Lead Commissioner - LAs	0	165
Contribution to Lead Commissioner - UHB	0	33
Reserve	0	120
Total Pooled Budget contributions for the year	-	4,457
Expenditure		
Staff Costs	0	197
Non Staff Expenditure	0	4,260
Total Expenditure for the year	0	4,457
Net Surplus/(Deficit) on the Pooled Budget for the Year	0	0

Mardy Park Rehabilitation Centre

The Health Board has entered into a pooled budget arrangement with Monmouthshire County Council. Under the arrangement funds are pooled under Section 33 of the NHS (Wales) Act 2006 to provide care to individuals who have rehabilitation needs. The pool is hosted by Monmouthshire County Council and the LHBs contribution is **£278K** for 2024/25 (£277K in 2023/24).

	2024/25 £000	2023/24 £000
Pooled Budget contributions		
Monmouthshire County Borough Council	368	367
Aneurin Bevan University Health Board	278	277
Total Pooled Budget contributions for the year	646	644

32. Pooled budgets (continued)**Gwent Frailty Programme**

The Health Board has entered into a pooled budget with 5 Local Authorities in the Gwent area, namely Blaenau Gwent, Caerphilly, Monmouthshire, Newport and Torfaen County Councils, for the provision of a Gwent wide integrated health and social care Frailty service, for service users who are resident in the partners' localities. Under the arrangement funds are pooled under section 33 of the NHS (Wales) Act 2006 for the purpose of establishing a consistent service for the Gwent area. The Health Board accounts for its share of the assets, liabilities, income and expenditure arising from the activities of the pooled budget, identified in accordance with the pooled budget agreement. The LHB's contribution is **£10,320K** for 2024/25 (£9,892K in 2023/24).

	2024/25 £000	2023/24 £000
Pooled Budget contributions		
Blaenau Gwent County Borough Council	689	649
Caerphilly County Borough Council	2,349	2,249
Monmouthshire County Borough Council	1,628	1,626
Newport City Council	2,148	1,994
Torfaen County Borough Council	833	822
Aneurin Bevan University Health Board	10,320	9,892
Total Pooled Budget contributions for the year	17,967	17,232

Expenditure

Reimbursements to Local Authorities from Pooled Fund:

Blaenau Gwent County Borough Council	159	489
Caerphilly County Borough Council	1,940	1,803
Monmouthshire County Borough Council	1,442	1,353
Newport City Council	2,131	1,938
Torfaen County Borough Council	680	909
Reimbursements to ABUHB from Pooled Fund	11,006	9,921
Central Costs	777	753
Total Expenditure for the year	18,135	17,166

Net Surplus/(Deficit) on the Pooled Budget for the Year	(168)	66

Continuing Healthcare - Older People in Care Homes

The Health Board has entered into a pooled budget with the 5 Local Authorities in the Gwent area, namely Blaenau Gwent, Caerphilly, Monmouthshire, Newport and Torfaen County Councils, for the provision and commissioning of certain specialised services for older people (>65 years of age) in a care home setting in Gwent. Statutory Directions issued under section 169 of the Social Services and Wellbeing (Wales) Act 2014 required Partnership Bodies to enter into partnership arrangements and for the establishment and maintenance of pooled funds from April 2018, for the exercise of their Care Home Accommodation Functions.

The pool was established in August 2018 and is hosted by Torfaen County Borough Council. Under the arrangement, the Health Board makes a financial contribution equivalent to related expenditure in commissioning related placements in homes during the year. The LHB's contribution is **£43,955K** for 2024/25 (£41,298K in 2023/24).

The Health Board is waiting for the lead Local Authority partner to publish the Memorandum Account for 2024/25, at which point the below disclosure will be completed.

	2024/25 £000	2023/24 £000
Pooled Budget contributions		
Blaenau Gwent County Borough Council	0	9,769
Caerphilly County Borough Council	0	31,521
Monmouthshire County Borough Council	0	12,680
Newport City Council	0	28,529
Torfaen County Borough Council	0	14,154
Aneurin Bevan University Health Board	0	41,298
Total Pooled Budget contributions for the year	-	137,951

Expenditure

Gwent Local Authority Residential Homes	0	18,828
Other Elderly Frail Residential Care	0	14,477
Other EMI Residential Care	0	26,580
Elderly Frail Funded Nursing Care	0	30,222
EMI Funded Nursing Care	0	18,457
Elderly frail Continuing Health Care	0	8,373
EMI Continuing Health Care	0	20,685
Step Up/ Step Down	0	267
Lead Commissioner Costs	0	62
Total Expenditure for the year	-	137,951

Net Surplus/(Deficit) on the Pooled Budget for the Year	0	0

33. Operating segments

IFRS 8 requires bodies to report information about each of its operating segments.

Whilst the organisation is structured into divisions, the performance management and the allocation of resources flow from the Board of Aneurin Bevan University Health Board.

There are no hosted services within the health board. Divisions do not manage capital programmes, have any autonomy in relation to balance sheets or produce discrete accounts.

For the purposes of IFRS 8 it is therefore deemed that there is no requirement to report any operating segments.

34. Other Information**34.1. 9.4% Staff Employer Pension Contributions - Notional Element**

The value of notional transactions is based on estimated costs for the twelve month period 1st April 2024 to 31st March 2025. This has been calculated from actual Welsh Government expenditure for the 9.4% staff employer pension contributions between April 2024 and February 2025 alongside Health Board data for March 2025.

Transactions include notional expenditure in relation to the 9.4% paid to NHSBSA by Welsh Government and notional funding to cover that expenditure as follows:

	2024-25 £000	2023-24 £000
Statement of Comprehensive Net Expenditure for the year ended 31 March 2025		
Expenditure on Primary Healthcare Services	780	662
Expenditure on healthcare from other providers	0	0
Expenditure on Hospital and Community Health Services	51,004	31,403

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2025

Net operating cost for the year	51,784	32,065
Notional Welsh Government Funding	51,784	32,065

Statement of Cash Flows for year ended 31 March 2025

Net operating cost for the financial year	51,784	32,065
Other cash flow adjustments	51,784	32,065

2.1 Revenue Resource Performance

Revenue Resource Allocation	51,784	32,065

3. Analysis of gross operating costs**3.1 Expenditure on Primary Healthcare Services**

General Medical Services	684	662
Pharmaceutical Services	0	0
General Dental Services	85	0
Other Primary Health Care expenditure	11	0

3.2 Expenditure on healthcare from other providers

	0	0
	0	0

3.3 Expenditure on Hospital and Community Health Services

Directors' costs	166	103
Staff costs	50,838	31,300

9.1 Employee costs**Permanent Staff**

Employer contributions to NHS Pension Scheme	51,784	32,065
Charged to capital	0	0
Charged to revenue	51,784	32,065

18. Trade and other payables**Current**

Pensions: staff	0	0

28. Other cash flow adjustments

Other movements	51,784	32,065

The Department of Health and Social Care (DHSC) 2023-24 consultation on the NHS Pension Scheme confirmed that the transitional approach that has operated since 2019-20 for employer contributions will continue in 2024-25. From 1 April 2024 an employer rate of 23.7% (23.78% inclusive of the administration charge) will apply. However, the NHS Business Services Authority will continue to only collect 14.38% from NHS Wales employers under their normal monthly payment process to the NHS Pension Scheme. This has resulted in an increase in the central payments made by Welsh Government from 6.3% to 9.4%.

Other

34.2 IFRS 17 - Insurance Contract Disclosures

The outcome of the contract review for a range of income contract types applicable to the organisation, did not identify any insurance contracts that fall within the scope of IFRS 17.

STATEMENT OF FINANCIAL POSITION

(Signage as per provision note disclosure)	£000
Liability for incurred claims @ 1 April 2024	0
Liability for remaining payments @ 31 March 2025	0
	0
 Arising during year	 0
Utilised	0
Reversed unused	0
Movement in Discount Rates	0
	0

STATEMENT OF COMPREHENSIVE NET EXPENDITURE
/ STATEMENT OF COMPREHENSIVE INCOME *Delete as appropriate

(Signage as per income and expenditure note disclosure)	£000
Insurance Income	0
Insurance expenditure	0

THE NATIONAL HEALTH SERVICE IN WALES ACCOUNTS DIRECTION GIVEN BY WELSH MINISTERS IN ACCORDANCE WITH SCHEDULE 9 SECTION 178 PARA 3(1) OF THE NATIONAL HEALTH SERVICE (WALES) ACT 2006 (C.42) AND WITH THE APPROVAL OF TREASURY

LOCAL HEALTH BOARDS

1. Welsh Ministers direct that an account shall be prepared for the financial year ended 31 March 2011 and subsequent financial years in respect of the Local Health Boards (LHB)¹, in the form specified in paragraphs [2] to [7] below.

BASIS OF PREPARATION

2. The account of the LHB shall comply with:

(a) the accounting guidance of the Government Financial Reporting Manual (FReM), which is in force for the financial year in which the accounts are being prepared, and has been applied by the Welsh Government and detailed in the NHS Wales LHB Manual for Accounts;

(b) any other specific guidance or disclosures required by the Welsh Government.

FORM AND CONTENT

3. The account of the LHB for the year ended 31 March 2011 and subsequent years shall comprise a statement of comprehensive net expenditure, a statement of financial position, a statement of cash flows and a statement of changes in taxpayers' equity as long as these statements are required by the FReM and applied by the Welsh Assembly Government, including such notes as are necessary to ensure a proper understanding of the accounts.

4. For the financial year ended 31 March 2011 and subsequent years, the account of the LHB shall give a true and fair view of the state of affairs as at the end of the financial year and the operating costs, changes in taxpayers' equity and cash flows during the year.

5. The account shall be signed and dated by the Chief Executive of the LHB.

MISCELLANEOUS

6. The direction shall be reproduced as an appendix to the published accounts.

7. The notes to the accounts shall, inter alia, include details of the accounting policies adopted.

Signed by the authority of Welsh Ministers

Signed : Chris Hurst

Dated :

1. Please see regulation 3 of the 2009 No.1559 (W.154); NATIONAL HEALTH SERVICE, WALES; The Local Health Boards (Transfer of Staff, Property, Rights and Liabilities) (Wales) Order 2009.

CYFARFOD BWRDD IECHYD PRIFYSGOLN ANEURIN BEVAN ANEURIN BEVAN UNIVERSITY HEALTH BOARD MEETING

DYDDIAD Y CYFARFOD: DATE OF MEETING:	20 May 2025
CYFARFOD O: MEETING OF:	Audit, Risk and Assurance Committee
TEITL YR ADRODDIAD: TITLE OF REPORT:	Annual Counter Fraud Report 2024/25.
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Robert Holcombe, Director of Finance and Procurement
SWYDDOG ADRODD: REPORTING OFFICER:	Gareth Lavington, Head of Counter Fraud

Pwrpas yr Adroddiad (dewiswch fel yn addas) **Purpose of the Report** (select as appropriate)

Er Sicrwydd/For Assurance

To provide assurance to the Audit, Risk and Assurance Committee (the Committee) of the work carried out by the Counter Fraud Department in 2024/25.

ADRODDIAD SCAA SBAR REPORT

Sefyllfa / Situation

It is a requirement of the NHS Counter Fraud Authority that an Annual report of Counter Fraud Activity is completed and is submitted to the Audit, Risk and Assurance Committee.

Cefndir / Background

The Annual Counter Fraud Report has been produced to provide assurance to the Committee that the Counter Fraud Department has provided what is required by Aneurin Bevan University Health Board (ABUHB) in order to have met its obligations under the Welsh Government Directions and the Government Counter Fraud Functional Standards SO(13).

It accurately reflects the work carried out during the course of the 2024-25 financial year.

Asesiad / Assessment

This report reflects the work undertaken by the Counter Fraud team during 2024-2025 financial year.

It accurately describes what work has been undertaken and provides a self-assessment of compliance with the NHS CFA Requirements. These are reported as Green and therefore ABUHB is compliant in all areas.

Argymhelliad / Recommendation

The Committee is requested to **NOTE** the report as assurance that ABUHB continues to fulfil its obligations in countering fraud.

Amcanion: (rhaid cwblhau)

Objectives: (must be completed)

Cyfeirnod Cofrestr Risg Corfforaethol a Sgôr Cyfredol: Corporate Risk Register Reference and Score:	SRR 001G – Financial Stability
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	Governance, Leadership and Accountability Choose an item. Choose an item. Choose an item.
Blaenoriaethau CTCI IMTP Priorities Link to IMTP	Not Applicable Not Applicable
Galluogwyr allweddol o fewn y CTCI Key Enablers within the IMTP	Choose an item. Finance
Amcanion cydraddoldeb strategol Strategic Equality Objectives Strategic Equality Objectives 2020-24	Not Applicable Choose an item. Choose an item. Choose an item.

Gwybodaeth Ychwanegol:

Further Information:

Ar sail tystiolaeth: Evidence Base:	N/A
Rhestr Termiau: Glossary of Terms:	N/A
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	None

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Resource Assessment:	A resource assessment is required to support decision making by the Board and/or Executive Committee, including: policy and strategy development and implementation plans; investment and/or disinvestment opportunities; and service change proposals. Please confirm you have completed the following:
• Workforce	Not Applicable
• Service Activity & Performance	Yes, outlined within the paper
• Financial	Yes, outlined within the paper
Asesiad Effaith Cydraddoldeb Equality Impact Assessment (EIA) completed	No does not meet requirements An EQIA is required whenever we are developing a policy, strategy, strategic implementation plan or a proposal for a new service or service change. If you require advice on whether an EQIA is required contact ABB.EDI@wales.nhs.uk
Deddf Llesiant Cenedlaethau'r Dyfodol – 5 ffordd o weithio Well Being of Future Generations Act – 5 ways of working https://futuregenerations.wales/about-us/future-generations-act/	Not Applicable Choose an item.



**ANEURIN BEVAN UNIVERSITY
HEALTH BOARD**

**COUNTER FRAUD ANNUAL REPORT
2024/25**

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Introduction

NHS bodies in Wales must implement anti-fraud, bribery, and corruption measures in accordance with Welsh Government Directions on Counter Fraud Measures and the service agreement under section 83 of the Government of Wales Act 2006. This report has been written in accordance with such provisions and is produced annually to demonstrate how the directions and subsequent standards for delivery are achieved.

The Directions to NHS bodies identify functions and responsibilities in relation to countering fraud and prescribe through set standards for NHS bodies, how best to achieve compliance with these directions. The Health Board is required to comply with NHS Counter Fraud Authority's fraud, bribery, and corruption standards for providers, and produces this annual report in compliance with the direction.

The report provides detail of the work carried out by the Health Board that relates to countering fraud, bribery, and corruption over the preceding financial year. The work is reported under the following work activity areas:

- Strategic Governance
- Inform & Involve
- Prevent & Deter
- Hold to Account

The report style follows a prescribed format as recommended within the NHS Counter Fraud Authority's annual report template.

A separate report that is a self-review of compliance against the 'Government Functional Standards 013 – Counter Fraud and NHS Requirements' will be completed in due course. The deadline for completion is 31st May 2025. This report is known as the Counter Fraud Functional Standard Return (CFFSR) and as part of the NHSCFA quality assurance process it presents an overall (R)ed (A)mber (G)reen for each of the 12 requirements. The requirements that all NHS bodies must comply with can be found at the link below.

[Government Functional Standard 013 Counter Fraud | NHS Counter Fraud Authority | NHSCFA](#)

The CFFSR is completed by the Head of Counter Fraud and is required to be reviewed and signed off by the Director of Finance and the Audit Committee Chair. A summary of the CFFSR will be provided to ARAC as a separate paper.

Resource 2024/25

At the close of the financial year the Counter Fraud Department is resourced by four staff members. One Head of Service and three LCFS'. All are fully accredited Counter Fraud Specialists (ACFS). This resource is equal to 3.4 WTE equivalent.

AREA OF ACTIVITY	Resource Allocated (days)	Resource Used (days)
STRATEGIC GOVERNANCE	109	80
INFORM AND INVOLVE	149	75
PREVENT AND DETER	54	40
HOLD TO ACCOUNT	223	300
TOTAL	535	495*

*Days provided in total are less than planned due to reduced resources when Head Counter Fraud changed and team were a staff member down for a period of time.

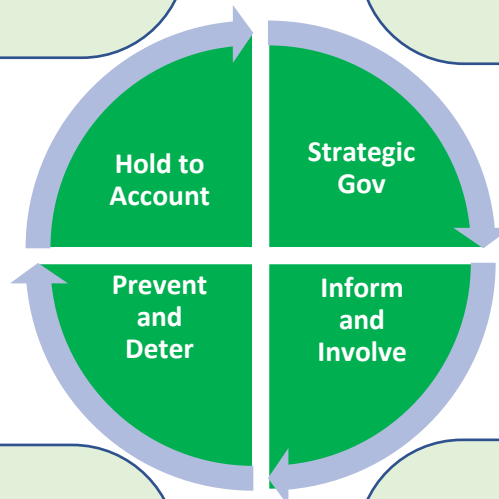
Cost	£
Proactive costs (Strategic Governance, Inform and Involve, Prevent and Deter)	£70,191
Reactive costs (Hold to Account)	£105,286
Total costs for counter fraud, bribery, and corruption work	£175,477*

*Actual Spend 24-25

Management Overview

- 84 Investigations (pg 17)
- 64 Cases closed (pg 17)
- 9 PACE Interviews (pg 17)
- 7 Disciplinary Sanctions (p18)
- 2 Prof. body referrals (p18)
- 1 Criminal Sanction(p18)
- 17 Civil recoveries (p18)
- £135,278 recovered (p18)

- A CF Strategy aligned to achieving our Welsh Government Direction commitments (pg 6)
- 495 days devoted to delivering our Fraud Strategy (pg 4)
- All NHS Government Requirements met with a 'Green' rating in all (pg 10)
- New CF and WOD joint working protocol and practice introduced (pg 12)



- Fraud / Financial Loss Prevention £31,476 (pg 15)
- 10 Local Proactive Exercises incepted (pg 15)
- Fraud Risk Profile designed and implemented (pg 16)
- Fraud Risk Assessments allocated (pg16)
- NFI – 144 matches cleared of a total 166 (pg 16)
- Attendance at Policy Review Group (pg 15)

- New bespoke Training for managers (pg 14)
- New bespoke training for Nursing management groups (pg 14)
- 300 Staff engaged with during IFAW (pg 13)
- 6620 staff undertaken Counter Fraud eLearning (pg14)
- Education sessions all Gwent Practice Manager Groups re weight loss drugs(pg 14)

1 Welsh Government Direction

The following grid identifies the key requirements under Welsh Government (WG) Directions July 2006 and outlines current activity within each section. The table illustrates that, in line with WG directions, supported through compliance with the standards for Wales, Aneurin Bevan University Health Board Counter Fraud provision is illustrating positive performance in delivery of its Counter Fraud Strategy.

Para.	Instruction	Action taken by health body
2 (1)	Each NHS body must take all necessary steps to counter fraud in the NHS in accordance with these Directions and in accordance with. (a) the NHS Counter Fraud and Corruption Manual; and (b) the policy statement “Applying appropriate sanctions consistently” published by the CFS, (c) and having regard to guidance or advice issued by the CFS.	Achieved
2 (2)	Each NHS body must require its Chief Executive and Director of Finance to monitor and ensure compliance with these Directions.	Achieved
3 (1)	Each NHS body must co-operate with the CFS to enable the CFS efficiently and effectively to carry out its counter fraud functions and in particular each NHS body must, subject to the following paragraphs of this direction. (a) enable the CFS to have access to its premises. (b) put in place arrangements which will enable the CFS to have access, as appropriate, to the NHS body's staff; and (c) supply such information including files and other data (whether in electronic or manual form) as the CFS may require for the purposes of the CFS counter fraud functions.	Achieved
3 (2)	In the case of information required under paragraph (1)(c) in connection with the CFS responsibility for quality inspection, fraud measurement, National Proactive Exercises (NPEs) and fraud prevention reviews, inspections and instructions, an NHS body must respond to any request from the CFS as soon as reasonably practicable.	Achieved

Para.	Instruction	Action taken by health body
3 (3)	In the case of information required under paragraph (1)(c) for the purposes of investigations relating to the CFS' counter fraud functions, an NHS body must respond to a request as soon as reasonably practicable and in any event within seven days from the date the request was made.	Achieved
3 (4)	Nothing in paragraph 1(b) contravenes any right a member of staff may otherwise have to refuse to be interviewed.	N/A
3 (5)	Nothing in paragraph 1(c) or direction 7(f) obliges or permits an NHS body to supply information which is prohibited from disclosure by or under any enactment, rule of law or ruling of a court of competent jurisdiction or is protected by the common law.	N/A
3 (6)	Without prejudice to the generality of direction 2(1)(a), each NHS body must comply with the requirements specified in the NHS Counter Fraud and Corruption Manual concerning. (a) the arrangements for reporting fraud cases to the LCFS and to the NHS body's audit committee and auditors. (b) the arrangements for agreeing to undertake a criminal prosecution and to refer a matter to the police. (c) the confidentiality of information relevant to the investigation of suspected fraud. (d) the arrangements for the LCFS to report weaknesses in fraud related systems to the CFS and the NHS body's audit committee and auditors; and (e) the arrangements for gathering information to enable the Director of Finance to seek recovery of money lost through fraud.	Achieved
5 (1)	Each NHS body must nominate at least one person that it proposes to appoint as the body's LCFS within six weeks of the date on which these Directions come into force.	Achieved
5 (2)	A person nominated under paragraph 5(1) may be either employed by the NHS body or a person whose services are supplied to it by an outside organisation.	Achieved
5 (3)	The name of the nominee must be notified to the CFSMS together with the information specified in the NHS Counter Fraud and Corruption Manual within 7 days of the nomination.	Achieved

Para.	Instruction	Action taken by health body
5 (4)	Without prejudice to the generality of direction 2(1), before making a nomination each NHS body must consider any guidance issued by the CFSMS on the suitability criteria for an LCFS.	Achieved
5 (5)	After a nominee has. (a) been approved by the CFS as a person suitable for appointment. (b) successfully completed any training required by the CFS; and (c) been accredited by the Counter Fraud Professionals Accreditation Board, the NHS body may appoint the person as its LCFS.	Achieved
5 (6)	Where an NHS body nominates a person, whose services are provided to it by an outside organisation, it must: (a) comply with the requirements of the CFS as to the suitability of the organisation in question. (b) satisfy itself and the CFS that the terms on which those services are provided are such as to enable the LCFS to carry out his functions effectively and efficiently and in particular that he will be able to devote sufficient time to that NHS body; and (c) give to the CFS a copy of the contract under which the services of the LCFS are supplied to it.	N/A
5 (7)	A further nomination must be made within 3 months of the date on which an NHS body learns that there is to be a vacancy for an LCFS.	Achieved
5 (8)	The procedures in paragraphs (3) to (6) also apply to a person nominated under paragraph (7).	Achieved
6 (1)	Each NHS body must specify a job description for its LCFS which includes the operational and liaison responsibilities specified by the CFS.	Achieved
6 (2)	The job description under paragraph (1) must include a requirement that the LCFS must adhere to the CFPAB Principles of Professional Conduct as set out in the NHS Counter Fraud and Corruption Manual.	N/A

Para.	Instruction	Action taken by health body
6 (3)	An LCFS must report directly to the NHS body's Director of Finance.	Achieved
6 (4)	An LCFS must not undertake responsibility for or be in any way engaged in the management of security for any NHS body.	Achieved
7	Each NHS body must. (a) require that in addition to the job description mentioned in direction 6(1), the LCFS and the Director of Finance agree, at the beginning of the financial year, a written work plan which outlines the LCFS's projected work for that financial year by reference to the seven generic areas of counter fraud activity set out in the NHS Counter Fraud and Corruption Manual.	Achieved
	(b) enable its LCFS to attend the NHS body's audit committee meetings.	Achieved
	(c) require its LCFS to keep full and accurate records of any instances of fraud or suspected fraud.	Achieved
	(d) require its LCFS to report to the CFS any weaknesses in fraud related systems of the NHS body and any other matters which may have fraud related implications for the NHS.	Achieved
	(e) ensure that its LCFS has all necessary support including access to the CFS secure intranet site to enable him efficiently and effectively to carry out his responsibilities.	Achieved
	(f) subject to any contractual or legal constraint, require all of its staff to co-operate with the LCFS and in particular that those responsible for human resources disclose information which arises in connection with any matters (including disciplinary matters) which may have implications in relation to the investigation, prevention, or detection of fraud.	Achieved
	(g) enable its LCFS to receive training recommended by the CFS.	Achieved

Para.	Instruction	Action taken by health body
	(h) require its LCFS, its other employees and any persons whose services are provided to the NHS body in connection with counter fraud work to have regard to guidance and advice on media handling of counter fraud matters which may be issued by the CFS.	Achieved
	(i) enable its LCFS to participate in activities in which the CFS is engaged, including national anti-fraud measures, where he is requested to do so by the CFS.	Achieved
	(j) enable its LCFS to work in conditions of sufficient security and privacy to protect the confidentiality of his work.	Achieved
	(k) enable its LCFS generally to perform his functions effectively, efficiently, and promptly.	Achieved

** Please note in the above CFSMS is now the NHS Counter Fraud Authority.

2 NHS Counter Fraud Authority Quality Assurance Standards

The previous NHS specific Standards have been aligned to the new NHS CFA Requirements and the four areas of activity are:

Strategic Governance - (Organisational governance / Staff Resource / Training)

Inform and Involve – (Fraud Awareness / development of Anti- Fraud Culture)

Prevent and Deter – (Reducing opportunity / Policy review and improvement)

Hold to Account – (Detection and investigation of Fraud / Sanctions / Criminal Process)

Area of activity	RED / AMBER / GREEN
Strategic Governance	GREEN
Inform and Involve	GREEN

Prevent and Deter	GREEN
Hold to Account	GREEN
Overall level	GREEN

4.1 Strategic Governance

The Counter Fraud Work Plan agreed with the Director of Finance was presented to ARAC for approval in Q4 2024 and progress reports have been submitted for information throughout the year.

Meetings with Health Board Senior Managers have continued and the identification of further areas of risk from a local perspective, with the application of their professional experience within the Health Board, has been achieved.

The LCFS attended both Wales Counter Fraud Conferences, where further training was received in accordance with NHS CFA requirements. Staff have also benefitted from training in the areas of Datix Web, Risk Management, Purview and various O365 products.

Submission of the return for NHS Counter Fraud Authority Quality Assurance Assessment was made within the due deadline of 31st May 2024.

The LCFS continue to work closely with NHS CFS Wales Regional Team to provide appropriate information and to liaise on all referrals with particular use made of the financial investigation capabilities of the Regional Team including use of Proceeds of Crime Act powers. Casework is reported on a quarterly basis for the NHS CFS Wales to monitor activity and provide Welsh Government with the Counter Fraud statistics.

Liaison between both internal and external auditors has been maintained, in conjunction with regular review of Audit Papers submitted by internal audit via ARAC. In addition, the

Local Counter Fraud Champion and Board Secretary provides a governance link to the Counter Fraud Department, raising any concerns when appropriate.

The necessary support has been received from the Health Board, allowing LCFS to perform their functions effectively. Continued training for specialist delivery has been maintained for all staff.

Regular contact has been maintained between the Head of Counter Fraud and Fraud Champion throughout the year, ensuring a top-down approach to developing an effective Counter Fraud Culture within the organisation. With the retirement of the Assistant Director of Corporate Finance, Q4 has seen the introduction of a new counter Fraud Champion in their replacement. The new Counter Fraud Champion has been nominated to the NHSCFA accordingly.

The Head of Counter Fraud has attended all Counter Fraud Steering Group meetings as an NHS Wales Counter Fraud representative. They also sit on the Counter Fraud Liaison Group, which is newly established to ensure that best practice, trends, and proactive exercises are shared across NHS Wales. In addition, along with the Director of Finance and the Assistant Director of Finance, the Head of Counter Fraud is a member of the task and finish group that has been incepted in order to provide robust future proofing for counter Fraud Services in NHS Wales. This group assists also in the re writing of the Welsh Government Directions (Section 3 above) that require review and renewal.

A new WOD and Counter Fraud Joint Working Protocol has been introduced to provide a guide to achieving best practice in parallel investigations. This year has seen the introduction of a much closer working partnership between the two departments. Subsequently, the Head of Counter Fraud meets with the Head of HR on a fortnightly basis to discuss all joint investigations, ensuring a timely and diligent process with the aim of minimising the impact to all involved.

4.2 Inform and Involve

There is an anti-fraud, bribery and corruption policy in place that outlines the responsibilities of staff in countering fraud and corruption within Aneurin Bevan University Health Board. This has been reviewed and modified during this financial year. It now incorporates the joint working protocols with Internal Audit and WOD, the communication strategy, and the response plan into one Financial Control Procedure. This has been reviewed and approved by ARAC. The policy is available for staff on the AB pulse pages and is promoted in all awareness exercises.

Bespoke virtual and face to face Counter Fraud learning has been provided to targeted staff groups, identified as higher risk of contact with fraud or there has been a fraud investigation within that area.

Evaluations of sessions have been conducted, with positive comments received regarding the value of receiving these awareness sessions. Evaluations and feedback have informed tailoring of learning, to ensure that bespoke guidance can be offered.

The Team has also maintained and updated its digital offerings. This will allow for a more interactive approach to delivering awareness, including utilising, and embedding digital material into the documents.

Examples of key work areas and successful outcomes include:

- Virtual/ In-person presentations conducted to staff and key contacts. All new staff currently receive the Counter Fraud presentation video at Induction, but a request has been made by Counter Fraud to replace this with in-person or via Teams in the future.
- During 2024/25 the Counter Fraud Department has undertaken **15** awareness events.
- This year's Fraud Awareness Week was again delivered in person and each of the major hospitals were visited. During this week an estimate of **300** staff members were spoken too as well as a number of members of the public. This was coupled with daily communications via the intranet issued to both the staff and public, highlighting National

Fraud Week the NHS Fraud Risks, reporting mechanisms, and making awareness materials available.

- In February 2024 Counter Fraud E-Learning was mandated for all staff. Within a short period 45% of staff completed the training. A good uptake has continued throughout the 24-25 financial year. In the 24-25 reporting period **6620** staff members have completed the training. The training includes information not only about the types of fraud committed within the NHS but also provides information about bribery, conflicts of interest, and hospitality and gifts. This training also signposts participants to reporting routes if they have concerns.
- In the latter part of the year a new bespoke educational package has been developed specifically targeted at managers within the organisation. This has been informed through the trends in referrals in relation to areas of leave, remote working, staff salary changes and terminations, declarations of interest and expenses. This package will be rolled out to divisional management groups in the forthcoming year with the aim of improving understanding around these issues in relation to fraud and reducing the referrals of suspected frauds within these topic areas. In addition, an educational package has commenced into the area of controlled stationary (prescriptions) and controlled drugs. The aim is to deliver this package to senior nursing management groups throughout the forthcoming year. Liaison has commenced with the Corporate Nursing Division and Divisional Nursing Directors. This has already resulted in Counter Fraud being involved in the development of a new Standard Operating Procedure for the above.
- As the result of a local proactive exercise conducted into the mis-prescribing of weight loss medications in Primary Care, the team has delivered a number of educational sessions across the organisation and at Primary Care Management Groups across all districts in the Gwent Health Care area. It is envisaged that in so highlighting the issues that have been identified that significant financial savings will be reported in the near future.

4.3 Prevent and Deter

Fraud Loss Prevention is a relatively a new type of counter fraud activity that is being driven by NHS Counter Fraud Authority. Capture of data is now undertaken in this area in an attempt to provide insight into the impact of counter fraud work in the form of savings made

(or fraud losses prevented) A new standardised formula to calculate the value of fraud prevention figures has been approved by the cabinet office and rolled out by the Counter Fraud Authority. Some examples of this are: The work carried out jointly with the ABUHB Community Pharmacy lead into Out-of-Pocket expenses showing a saving for the Health Board of **£21,600**; education work carried out with Primary Care contractors preventing an attempted invoice fraud of **£9876.00**; the work conducted into preventing the mis-prescribing of weight loss drugs in primary care will show a financial saving in due course but the figure is not available at the time of reporting.

A total of **£31,476.00** has been recorded in fraud prevention figures this year.

The LCFS have effectively liaised with the Health Board's Communications Department when reporting cases or fraud trends, to ensure that a consistent approach is taken, and the message is sent out that fraud will not be tolerated within the Health Board.

The LCFS sits on the policy review group and provides fraud proofing input to relevant policies and procedures. CF are currently working closely with the Corporate Nursing team in developing a new Standard Operating Procedure for the handling of Controlled Stationary and Controlled Drugs.

A member of the team sits on the Local Intelligence Network (LIN) group for the region, alongside partners both internally and externally.

Staff alerts displayed on the Health Board website and circulated through mass communications have also encouraged engagement and demonstrated real advantages to maintaining an anti-fraud culture.

The LCFS has continued to monitor Post Payment Verification (PPV) reports with the relevant Primary Care Lead officers. Further collaborative work is being undertaken with bi-monthly meetings at an all Wales and local level.

A Fraud Risk Profile has been designed and implemented. This will be utilised to more effectively manage the Fraud Risks identified as relevant to the Health Board. Thirty-Four

(34) Inherent Risks, and a number of emerging and locally specific risks have been identified. The inherent risks have been identified by the NHSCFA and are relevant to most NHS Organisations. All identified risks are shared at regular meetings of the Counter Fraud Liaison Group in order that the wider NHS Wales organisation is protected.

When complete the risk assessments will be shared with the relevant Divisional stakeholders for review and remedy. They will be reported in line with the Health Boards Risk Management policy and be recorded on the relevant risk register on Datix Web. As a result, all CF staff have been provided with Datix Web and risk management training. Fraud risk work that takes place will be reported through the ARAC via the Counter Fraud progress reports.

The team has commenced **10** Local Pro-Active Exercises (LPEs), most of which have been informed by local trends. Each area is first subject to formal risk assessment prior to the identification of remedial action. The areas targeted so far are :

- Agile working
- Staff expenses
- Hospital prescriptions
- Primary Care prescriptions
- Mis-prescribing of weight loss medications
- Out of pocket expenses - Pharmacy
- Staff leavers
- Various elements of special leave
- Agency workers
- Petty cash
- Job Planning

Work continues into these areas with the aim of making further savings.

The LCFS have maintained their activity with regard to the National Fraud Initiative (NFI), carrying out checks across all matched data reports, updating privacy notices and submitting data for the next data exercise. The work has also supported other Public Sector

Organisations in their NFI activity. There have been several requests for information via the system which have been actioned and reported back on. There are a total of 166 matches to investigate in the 24-25 data release for ABUHB. Thus far 144 have been closed with no issue. One match has resulted in a formal investigation being commenced and this is ongoing. 22 matches in total remain open and are being processed.

4.4 Hold to Account

The LCFS receives information from several sources and processes are in place to ensure referrals are prioritised and investigated. As part of the required reporting processes, all notified concerns are reported utilising the NHS CFA crime reporting system, Clue3. All current cases are logged on this system.

The system ensures the effective and secure recording of sensitive information relation to ongoing investigation. The Clue3 system will allow for users to accurately document the types of investigations being undertaken, outcomes and systems weaknesses at an all-Wales level. This will enable the NHS CFA to release more accurate benchmarking and trend analysis data in the future. In addition, the system allows users to record data associated with pro-active exercises undertaken at a local level, including any fraud risks identified and potential savings produced. This information allows the NHS CFA to demonstrate a financial value associated with Pro-active work, something which has been difficult to demonstrate over the years.

During 2024/25, the Counter Fraud Team carried over **26** active cases from the previous year, received and recorded **58** new referrals. During the year **64** cases were closed. **19** cases remain open and under review at the end of this financial year and will be carried over into the next. **1** case was referred to CFS Wales Team after creation. In this year **9** Interviews Under Caution (IUC) have taken place.

In conjunction with the Health Board's Workforce & Organisational Development (WOD) Directorate, all cases that were linked to a current employee were referred to the relevant workforce contact. Subsequent workforce reviews have been completed and employment processes undertaken as a result of information sharing protocols.

Additionally, as a matter of routine practice, where investigations have involved members of professional bodies, referrals have been made to each respective body, allowing them the opportunity to consider undertaking their own investigations with regards to the conduct of the specific individual involved. Such relationships and professional working practices will continue, and liaison and investigative support will remain for cases carried forward.

Of those investigations that were finalised and closed in 202/25, there have been **7** internal disciplinary sanctions and **2** professional body onward referrals. **17** civil remedies were sought, which has resulted in the recovery of funds totalling **£135,278.23**. The majority of this amount (£121,485) has been as a result of recoveries made by the Accounts Receivable team within Corporate Finance Department relating to significant overpayment of salary cases. There have been no cases of salary overpayment during the year where prosecution has been sought.

The thematic areas investigated with the highest volume of referral were:

- Working elsewhere whilst sick
- False sickness
- Timesheet/Overtime
- Overpayments of salary
- Prescription fraud
- Dual working/working elsewhere in contracted time

Update reports on current case positions have been supplied to the ARAC on a regular basis. The reports are discussed during the in-committee section of the meeting to ensure confidentiality of investigation and fairness to investigation subjects.

3 Conclusion

The Health Board's Counter Fraud provision has demonstrated compliance with the requirements of the Welsh Government Directions to NHS Bodies on Counter Fraud Measures.

The Health Board's counter fraud provision has demonstrated compliance with the requirements of the Welsh Government Directions to NHS Bodies on Counter Fraud Measures.

The overall 'Green' rating from the Quality Assurance assessment (SRT), demonstrates the continued efforts from the LCFS in working in an innovative way to achieve a balance of both reactive and proactive work to meet the NHS Counter Authority's Standards.

During the course of the year the team have identified a number of areas of weakness that have undermined investigative efforts in pursuit of successful prosecution. Under the Criminal Procedures and Investigatory Powers Act 1996 investigation and disclosure officers (LCFS) are required to identify and reveal to defence counsel, any issues that may undermine prosecution or assist the defence. Examples of this that have been identified during investigations throughout the year include: Senior Doctors Job Plans unsigned/not in place and / or not managed; PADR processes not being followed appropriately; special leave not being managed/processed properly; agile workers not being managed appropriately. The Counter Fraud team continue to work diligently through risk assessment and education to address issues identified and affect organisational change.

The Counter Fraud Team can demonstrate a continued trajectory of improvement across the service, with continued success shown across key areas. Priorities for the new financial year will be, to maintain focus on inform and involve, continuing to raise awareness of Fraud, Bribery and Corruption, both with specific groups in face to face settings and with an improved digital awareness offering; further development work associated with Prevent and Deter, including building on Fraud Risk Analysis, identifying further specific fraud risks that will be assessed and actioned for proactive exercise as necessary; continued high quality investigation work into referrals where fraud is suspected.

Author

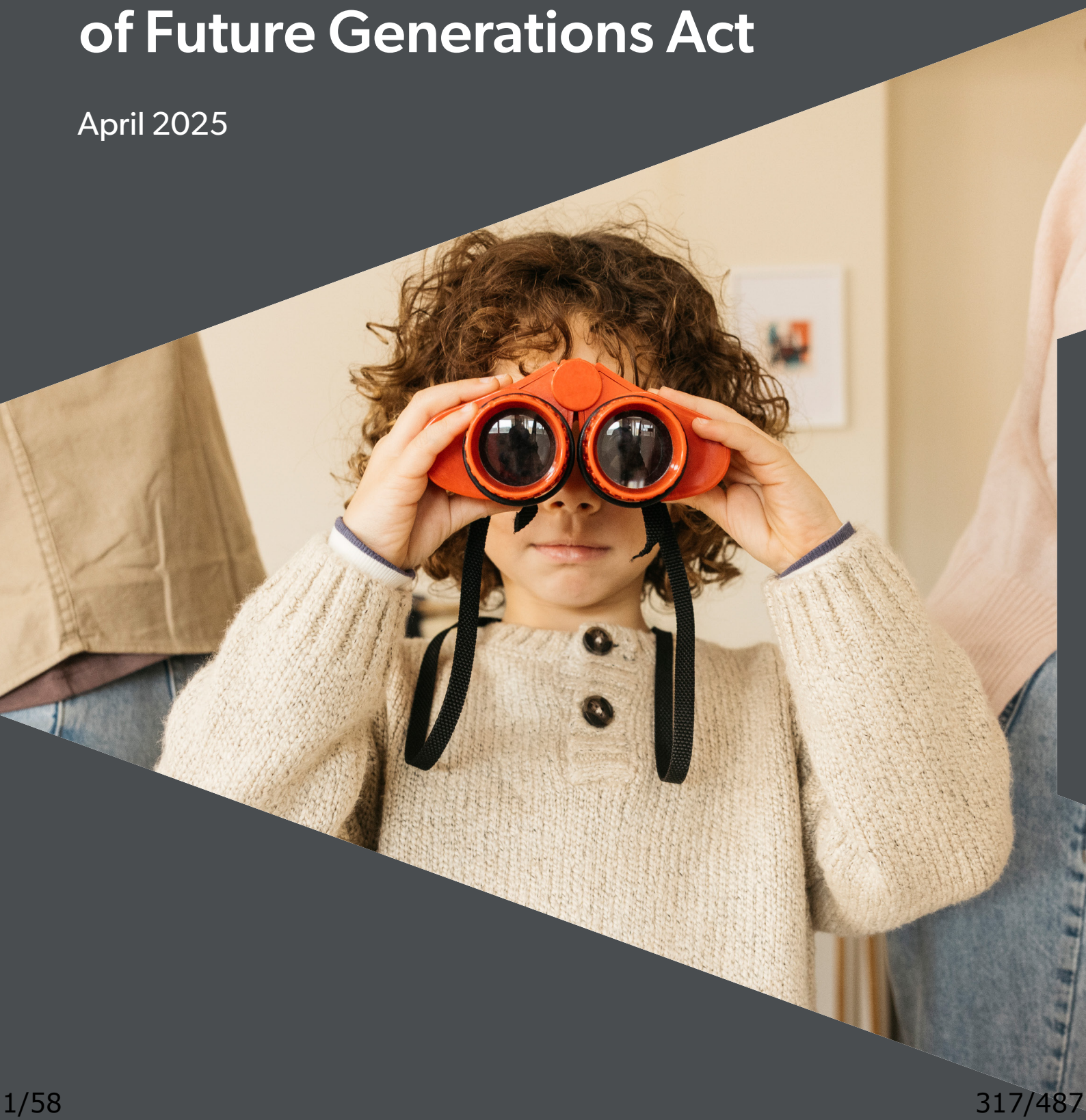
Gareth Lavington

Head of Counter Fraud, Aneurin Bevan University Health Board

11/04/2025

No time to lose: Lessons from our work under the Well-being of Future Generations Act

April 2025



This report has been prepared and published for presentation to the Senedd under section 15 of the Well-being of Future Generations (Wales) Act 2015.

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Mae'r ddogfen hon hefyd ar gael yn y Gymraeg.

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Foreword

Public services in Wales have been facing unprecedented pressures. This will come as no surprise to any public servants who open this report and who deal with the effects every day.

The COVID-19 pandemic put public bodies in emergency response mode for an extended period. Inflationary pressures have followed, made worse by other global events, and contributing to a cost-of-living crisis impacting people and organisations across the country. All this amid other demands including the response to the climate and nature emergency, and an ageing population.

The long-term sustainability and affordability of services and government policy commitments are being tested. And while the Welsh Government's budget for 2025-26 provides some respite, the outlook remains extremely challenging. Making the shift from short-term firefighting to future proofing our public services will not be easy, but it needs to happen. If implemented effectively, the Well-being of Future Generations Act should help drive that change.

This report considers that very issue, because I must examine how public bodies are applying the Act in practice. The report should be read alongside the Future Generations Commissioner's report, which is published at the same time.

While I cannot look at everything public bodies do, the breadth of my work gives me a unique view. Ten years on from its inception, I see energy and enthusiasm for the Act in various quarters; and I see public bodies having different conversations, making decisions informed by the Act, and changes in practice. But for all the good examples, there are those that are not so good. The Act is not driving the system-wide change that was intended.

Of course, driving change across often large, complex organisations is hard. But I urge public bodies to see the sustainable development principle as a value for money issue. We cannot afford to design solutions that do not meet people's needs, burden future generations with avoidable higher costs, or miss opportunities to deliver more with the same or less.

Public bodies also need strong foundations from which to plan for the future, and they need to maintain the trust and confidence of the people they serve. This involves doing the basics well in how they govern themselves, and in how they manage their finances, workforce, and assets.

The Welsh Government has a key leadership role to help create the right environment. There needs to be a sustained focus on ensuring wider systems of legislation, governance, funding, and culture enable the Act to take hold and thrive.

In 2020, I called for a review of the Act to explore how barriers to its implementation could be overcome and how Wales could remain at the forefront of actions to improve well-being. Five years on, that recommendation has not been acted on in the way I would have hoped. Many of the same barriers still exist, so I find myself re-stating the need for a review today.

I hope my report can contribute to a wider conversation about how public bodies apply the Act to make a real and lasting impact on the big issues Wales faces. Audit Wales will continue to provide insight, support improvement, and promote accountability. And I urge all those in positions of scrutiny to play their part in recognising good practice and calling out where bodies are falling short.



Adrian Crompton

Auditor General for Wales



Report snapshot

What the report is about

- 1 This report is about how Welsh public bodies are thinking and acting for the long term. Specifically, it is about how public bodies are doing what the Well-being of Future Generations (Wales) Act 2015 (the Act) requires them to do.
- 2 Under the Act, certain public bodies must set 'well-being objectives' to create a better Wales, both now and in the future. They must also take all reasonable steps to meet those objectives.
- 3 They must do these things in a certain way. They must focus on stopping problems from happening in the first place. They must make the connections between different parts of their work and join up with other public bodies. They must listen to and work with their communities. Ultimately, public bodies must take a longer-term view, so they can meet the needs of the present without compromising the ability of future generations to meet their own needs.
- 4 Over the past five years, we have looked at how public bodies did this when setting their objectives and taking steps to meet them. This report sets out what we have learned. It also reflects on progress since our first such report in May 2020.

Why this is important

- 5 The Act should touch all aspects of public bodies' work. It is about driving a change in what public bodies do and how they do it so they can meet pressing and future challenges.
- 6 Our audit work on the steps public bodies have taken to meet their objectives has been wide and varied. It has taken us into areas that are important to people and that draw on significant public money. For example, housing, health and social care, and the climate and nature emergency. We have also looked at functions that are critical to a well-run organisation, such as financial and workforce planning.
- 7 The Act is now 10 years old. The pressure on public services and the public finances has grown in that time. If the Act is Wales's answer to meeting the big challenges, it needs to be implemented well. It is important to learn lessons as we look ahead to the next 10 years and beyond.

What we have found

- 8 We see that, 10 years in, the Act has increased prominence. It is changing conversations, influencing longer-term planning, and impacting day-to-day decision-making and working practices across Welsh public services.
- 9 Disappointingly, we also see instances where public bodies have given little or no explicit consideration to the Act. From what we see, the Act is not driving the system-wide change that was intended. Notably, there is still much to do to apply the Act to functions such as workforce planning, asset management, and financial planning. These functions are essential in driving wider change and translating strategic intentions into operational reality.
- 10 We find variation in practice within organisations, and within and between sectors. In our view, the health system in particular has some way to go in applying future generations thinking across its planning and delivery.
- 11 Accelerating progress under the Act starts with prioritising prevention. Without a more systematic shift towards prevention, budgets will be exhausted, and outcomes will likely be worse. The longer it takes the worse things are likely to get.
- 12 Public bodies also need to improve the information they use to inform planning and decision-making, get a better grip on resource implications, and make sure they can understand impact. These are key to achieving and demonstrating value for money, and to applying the sustainable development principle.
- 13 Delivering change will require action from all public bodies individually. But that will not be enough. They are working in an environment that does not always promote that change. There is action that government could take to create the conditions for progress. Several of the barriers to implementation we identified in 2020 remain issues today, and the Act itself still merits detailed post-legislative review.

What we recommend

- 14 We have made recommendations to individual public bodies through the audit work that this report builds on. They have frequently related to the application of the expected ways of working. They have also been about making sure bodies are getting value for money.
- 15 This report makes four further recommendations. They are strategic recommendations to the Welsh Government, designed with the wider conditions for progress in mind. They call on the government to minimise funding uncertainty to help bodies plan effectively and to encourage investment in prevention. They also call on government to take a fresh look at the assessment of performance and impact under the Act and to clearly set out a scope and timetable for its own evaluation of the Act in the context of wider scrutiny.

Key facts and figures

- 16 We identify financial and demand pressures facing public services across our work. **Exhibit 1** sets out some examples, covering the last decade. They are a sample but give a sense of the scale and escalation of challenges since the Act was introduced. They pose questions about what can be done to stop further escalation over the next decade.
- 17 Looking ahead, the Welsh Government's Future Trends Report from December 2021 sets out information on factors that are likely to affect Wales's achievement of the seven well-being goals. The next such report is due by May 2027.

Exhibit 1: examples of growing financial and demand pressures for public services over the last 10 years



Health revenue funding increased from £6.29 billion in 2014-15 to £10.64 billion in 2023-24, which is a **real terms increase of 30%**.



Local authorities' core revenue funding increased from £4.26 billion in 2014-15 to £5.52 billion in 2023-24. However, this is a **real terms decrease of 0.55%**.



The **combined annual revenue deficit for health bodies with a deficit increased by 235%** from -£55 million in 2014-15 to -£183 million in 2023-24.



There was a **17% real terms reduction in Welsh Government revenue funding for culture and sport** between 2014-15 and 2024-25.



Spending on NHS secondary care services increased from £4.28 billion in 2014-15 to £7.32 billion in 2022-23, which is a **real terms increase of 39%**.



Spending on cancer services increased from £409 million in 2014-15 to £719 million in 2022-23, which is a **real terms increase of 43%**.



Spending on diabetes services increased from £98 million in 2014-15 to £167 million in 2022-23, which is a **real terms increase of 38%**.



NHS spending on mental health provision increased from £663 million in 2014-15 to £1.02 billion in 2022-23, which is a **real terms increase of 25%**.



Budgeted expenditure on Special Educational Needs/Additional Learning Needs provision increased from £357 million in 2014-15 to £549 million in 2023-24, which is a **real terms increase of 18%**.



Spending on home to school transport increased from £117 million in 2014-15 to £191 million in 2023-24, which is a **real terms increase of 25%**.



Spending on children looked after increased from £254 million in 2014-15 to £575 million in 2023-24, which is a **real terms increase of 74%**.



Number of children looked after increased from 5,610 in 2015 to 7,200 in 2024 which is an **increase of 28%**.



Around **1 in 6 Welsh species** were at risk of extinction in 2023.



Number of homeless individuals in temporary accommodation rose from 3,577 in August 2020 to 11,203 in January 2025 which is an **increase of 213%**.

Source: See **Appendix 1** for sources and some further explanations.

Note: Spending figures (£s) are gross spending, including from any income generated. Spending and funding figures (£s) are in cash terms. Percentage changes in spending and funding are based on real terms figures, adjusted to take account of inflation. We used HM Treasury GDP deflators at market prices for 2023-24, December 2024. These were the latest available at the time of drafting this report.

Our findings

- 18 This part of our report summarises key themes from our work. We refer to some specific examples, but our wider audit coverage has informed our overall findings.
- 19 **Appendix 1** provides more detail about our audit work and lists audit reports that we have referred to explicitly in this report. **Appendix 2** provides an overview of the framework of the Act, including the sustainable development principle and the five ways of working.

Setting the direction: Public bodies' well-being objectives



What public bodies must do

Set well-being objectives that maximise their contribution to achieving the national well-being goals.



What we must do

Assess the extent to which public bodies have applied the sustainable development principle when setting their well-being objectives.



What we did

Carried out these examinations at individual public bodies between 2020 and 2025. Where public bodies did not set new well-being objectives during that time, we looked at how they were reviewing them.

- 20 We have summarised our findings on how public bodies set their well-being objectives under five themes (see **Exhibit 2**). We looked at how public bodies were applying the sustainable development principle, but also how they were incorporating them into their planning and delivery frameworks. This was important in helping us understand how public bodies intended to make their ambitions 'real'.

Exhibit 2: key themes from our work on well-being objective setting



Source: Audit Wales

Most public bodies appreciate that their well-being objectives should sit at the heart of the organisation and define their long-term ambitions, but a few have not fully grasped what is expected of them

- 21 Setting well-being objectives is intended to be a new approach to setting the organisation's main objectives. The aim is to put sustainable development at the heart of the organisation's thinking, shaping choices and action.
- 22 So, while not a requirement, it is best practice for public bodies to make their well-being objectives and corporate priorities one and the same. Setting well-being objectives that sit separate from the main corporate planning framework is likely to limit their impact and add bureaucracy and complexity.
- 23 In 2020, we noted that the timetable and need to fit with existing plans posed some difficulties for bodies when setting their first well-being objectives. They took different approaches, but most published by the deadline of April 2017 and either added to or replaced their previous corporate objectives.

- 24 Most public bodies have now incorporated their well-being objectives into their main corporate strategy. However, others have not taken this step. Certain bodies have set well-being objectives that do not appear connected to wider corporate planning and day-to-day delivery. In some cases, bodies had not reviewed or monitored their objectives for some time. This raises questions about their prominence and whether they have ‘sat on the shelf’, rather than providing meaningful direction.
- 25 This is the case for some health bodies, in particular. It is important that they do not miss the opportunity to put their well-being objectives at the centre of their thinking as they re-develop long-term strategies and respond to the effects of the COVID-19 pandemic. The Welsh Government has updated its NHS planning guidance 2025-2028 to state that the well-being objectives should ideally be the same as an organisation’s ‘overarching strategic objectives’ and align with other organisational strategies and plans.
- 26 Also, during our initial work at the four newly created regional Corporate Joint Committees in 2022, some of those we spoke to seemed unaware of their duties under the Act. When we undertook further work in 2023, we found only two of the four had published well-being objectives by the statutory deadline. We reminded them of the need to do this and emphasised the importance of applying the sustainable development principle as they were taking forward their plans and decision-making. We will explore this through future work.
- 27 Medr – the Commission for Tertiary Education and Research – is the most recently created body that is subject to the Act. Positively, we found that it had embraced the sustainable development principle to help develop its first strategy and well-being objectives. Our early engagement with the eight bodies that became subject to the Act in June 2024 (see **Appendix 1**) suggests a keenness to do the same.

Overall, we have seen public bodies applying the sustainable development principle when setting their well-being objectives; but they can go further, particularly in involving the diversity of their communities

- 28 If public bodies are going to set well-being objectives that deliver real value over the long term, they need to go beyond a compliance mindset and actively apply the ways of working.
- 29 In 2020, we reported that most bodies had gone about setting their objectives differently because of the Act. However, they often failed to provide us with a detailed explanation of 'how' they had used all five ways of working. Where they gave examples, these tended to relate to collaboration, involvement, or integration.
- 30 We found many public bodies sought to strengthen the process for setting their well-being objectives in this period. We recognised where bodies had set out to purposefully apply the sustainable development principle to provide a clear, long-term direction for the organisation.
- 31 Public bodies have generally framed their objectives for the long term. Corporate strategies are often set for the medium term, but the objectives tend to be more open-ended and focused on delivering longer-term outcomes. For example, Bannau Brycheiniog National Park Authority's statutory Management Plan covers 2023 to 2028, but its vision extends 25 years to 2048. Some bodies have included their objectives in long-term strategies. For example, Mid and West Wales Fire and Rescue Service published its well-being objectives as part of its Community Risk Management Plan 2040.

Understanding the relationship between people and planet in the Bannau Brycheiniog National Park

Bannau Brycheiniog National Park Authority has adapted the 'doughnut economics' model to help it to understand the biggest changes needed to make the National Park a sustainable place where people and nature thrive. The analysis drew on a wide range of evidence and insights and showed the huge scale of change needed from cutting carbon emissions to restoring the health of the water system, to affordable housing. The Authority prioritised five missions in the National Park Management Plan, based on this analysis, focusing on climate, water, nature, people and place.

- 32 Public bodies have used a range of evidence to help them understand key challenges and shape their objectives. This tended to include available performance information, internal and external research, and future trend analysis, including from the Future Trends Report. Councils have used Public Services Boards' (PSBs') well-being assessments as a key source of evidence¹. In a few instances, we recommended bodies could give more consideration to future trends.

'Let's Talk' in Neath Port Talbot

Neath Port Talbot Council gathered extensive views through focus groups, in-depth interviews with citizens, and a survey. The survey received 1,694 responses from a wide spectrum of groups, which included young people and children. The Council fed back the results to citizens effectively. In early 2022, it sought further views on its draft well-being objectives.

The Council also undertook extensive internal engagement. It held detailed workshops for each objective to challenge the data and consider the steps that it needed to take over the short, medium, and longer term.

- 33 Setting the objectives appears to have been more of a joint endeavour within organisations than in the past. We have seen examples of senior leaders coming together to develop and consider the objectives and steps to achieve them. We have also seen staff being involved in the process.
- 34 However, we saw big variation in how public bodies involved the public and external stakeholders. We saw examples where bodies sought a cross-section of views, using different methods and engaging representative organisations to help them. The strongest examples included multiple phases, where bodies sought views to inform the draft objectives and then consulted on them. We also saw some public bodies using creative ways of involving the public and adapting during the pandemic.

¹ Under the Act, specified public bodies must work together through PSBs to prepare an assessment of the state of economic, social, environmental and cultural well-being in their area and improve it. The Commissioner's office provided feedback on PSBs' draft assessments in 2022. They found the assessments used a wide range of data sources. They also found that, overall, PSBs had demonstrated they were considering future trends information, which was a clear improvement on the first round of assessments.

- 35 We also often recommended that bodies make sure they draw on the views of people across the communities they serve. This means being clear about who they need to reach and how, assessing whether they are being successful, and adapting accordingly. Involvement may take time and capacity, as well as the right skills, but can be seen as an investment given objectives are being set for the medium to longer term.

Seeking views to help shape

'Working Together for a Healthier Wales (2023-2035)'

Public Health Wales NHS Trust undertook extensive engagement with stakeholders, the public and staff to update its long-term strategy and objectives to new and exacerbated public health challenges following the pandemic. This included 'How are we doing in Wales' surveys, which received 3,521 responses.

It followed up by surveying an additional 1,072 people recruited via its 'Time to Talk Public Health Panel'. This is a nationally representative panel to inform public health policy and practice. The Trust also gained feedback from 480 of its staff through workshops and a survey.

- 36 Some bodies could also have done more to understand how their objectives relate to their partners' objectives. We appreciate this can be difficult, particularly for national bodies with many partners to consider. However, it could identify inter-dependencies and opportunities to collaborate. The Commissioner has collated public bodies' objectives to help with this.
- 37 We have seen examples of bodies thinking about how they can go beyond their core purpose. We found notable examples of this in our reports to Welsh Government arms-length bodies. Amgueddfa Cymru's objectives are clearly designed to contribute to different well-being goals, with activities relating to health and education, for example, aimed at delivering outcomes beyond 2030. The Arts Council for Wales has identified actions that relate to the climate and nature emergency, health and mental health, education, equality, and poverty.
- 38 However, it is not always clear whether the Act is driving a different focus in bodies' objectives in the context of the national well-being goals. The Commissioner has included an analysis of the objectives themselves in his report. He has concluded that public bodies' objectives are not fully contributing to all well-being goals².

2 The Commissioner has found that many public bodies could do more to 'define and implement' cultural well-being and consider global impacts of their work.

- 39 Our examination at the Welsh Government also raised interesting questions about how a new government applies the sustainable development principle to set well-being objectives while building a programme for government based on a political mandate. The Welsh Government did not provide clear supporting evidence to show how it had done that. This meant that it was not practically possible for us to make an overall assessment. This is regrettable as other bodies covered by the Act will look to the Welsh Government to demonstrate best practice.

Bodies have pitched their objectives in a variety of ways, which has implications for how they deliver and report on them

- 40 While we have not assessed their appropriateness, we have seen variation in how bodies pitch their objectives. Objectives are often framed as high-level ambitions, such as ‘give children and young people the best start in life’. We also see objectives that are principle-based, such as ‘climate justice’.
- 41 Public bodies have freedom to frame their objectives as they see fit. In doing so, they need to think about how they best build the objectives into their planning frameworks. They also need to think about their wider remit, governance, and culture. The framing of the objectives should help guide actions and choices across the organisation. If the objectives are too high-level and broad, there is a risk that they will not provide that direction.
- 42 Public bodies also take different approaches to setting out the steps they will take to meet their objectives. In some cases, there is limited detail to accompany the well-being objectives, with information on steps instead set out in other plans.
- 43 The framing of the objectives also has implications for how measurable they are. Public bodies will need to consider how they can assess impact over the short and longer term when deciding how to pitch their objectives and steps. The Commissioner has encouraged public bodies to set objectives and steps that are ‘SMART’³. His report includes a revised process to help public bodies ‘set good well-being objectives and steps’.
- 44 More consistency of approach could also help public bodies make connections between each other’s objectives. It may also make it easier for the Commissioner to monitor and assess the progress public bodies are making.

3 ‘SMART’ stands for Specific, Measurable, Achievable, Relevant, Time-bound.

If public bodies are going to make sure that setting well-being objectives is more than an exercise in strategic thinking, they need to ensure they can fund and deliver them

- 45 Public bodies will need to align their objectives to their operational delivery and financial planning if they are going to turn their ambitions into reality. This is particularly important given the funding pressures and uncertainties they face.
- 46 Public bodies' corporate strategies are typically underpinned by shorter-term business or service plans. These set out the more detailed actions that public bodies will take in pursuit of their objectives.
- 47 Where this was not the case, we recommended public bodies align their plans to ensure the well-being objectives shape action on the ground. We also recommended certain public bodies provide more information on how and when they would collaborate with partners to deliver their objectives.
- 48 We often found that public bodies had not considered the resource implications of their well-being objectives over the medium and longer term. While it is not possible to plan this in detail, we would expect public bodies to consider how they will align funding to their objectives and how financial risks, including any necessary savings, might affect delivery (see also **paragraphs 116 to 120**).
- 49 We have recommended that bodies use their medium-term financial plans to do this. Though, these were not always in place, sometimes needed updating, or could be further developed. However, we found some examples of councils making the connections. Such as the Vale of Glamorgan Council, which updated its financial strategy alongside its Corporate Plan, is aligning its transformation programme and has set aside some reserves to support its objectives.
- 50 For health bodies, their Integrated Medium-Term Plans (IMTPs)⁴ are the principal operational plan. However, six of the seven health boards in Wales have not been able to produce a Welsh Government approved IMTP for 2024-2027 due to their financial deficits. They are, instead, working towards annual plans. This limits their planning horizons and creates uncertainty over how they will take the necessary steps to achieve their long-term ambitions.

4 Health boards and NHS trusts are required to produce IMTPs annually. IMTPs set out how bodies will use their resources over a three-year period to deliver high quality healthcare services, which address population needs and improve health outcomes. Special Health Authorities and other national bodies are not formally covered by the same requirements but do develop and publish IMTPs.

Public bodies need to develop the right performance measures if they are to understand their impact against their objectives over the long term

- 51 Public bodies need to understand the difference they are making, particularly when they are acting for the long term. The right performance information can help public bodies review, adapt and improve. It can drive accountability and ensure transparency for delivering the well-being objectives. Performance information will also be of interest to funders, partners, and communities.
- 52 We found that public bodies often did not have the right performance measures in place to help them understand progress and impact against their objectives. Measures were typically more focused on activities and outputs than outcomes. We also found some public bodies had not set out specific measures to accompany the objectives.
- 53 At the time of our examinations, some public bodies were revising, or planned to develop, their performance arrangements to support their new objectives. We have made various recommendations that address these issues. Our wider work has also continued to stress the need for public bodies to improve how they manage their performance (see also **paragraphs 121 to 130**).

What do we mean by **outcomes**?

An outcome is the end result – the difference made from the action or service. The intended outcome is what the organisation is looking to achieve – the why or the ‘so what?’

Outcomes may be shorter, medium, or longer term.

Outcomes may not be within the complete control of one body, but dependent on others too. Outcomes differ from outputs. Outputs are the ‘what’ – the services and goods delivered to help achieve the desired outcome.

Making it happen: Taking steps to meet well-being objectives



What public bodies must do

Take all reasonable steps to meet their well-being objectives.



What we must do

Assess the extent to which public bodies have applied the sustainable development principle when taking steps to meet their well-being objectives.



What we did

Carried out these examinations at individual public bodies between 2020 and 2025.

In general, we did this while also looking at how public bodies were going about achieving value for money. This allowed us to gain a more complete understanding of whether public bodies were delivering on their ambitions in practice.

- 54 Our findings on how public bodies are taking steps to meet their objectives boil down to seven themes, and with some read across to our findings on objective setting (see **Exhibit 3**). The themes reflect where we think public bodies can focus to better apply the Act and make sure they are getting value for money.
- 55 The themes are connected. Getting one right will help with another. Public bodies should keep these in mind through the stages of planning, doing, and reviewing policy, service, and project delivery. Most fundamental in our view, given the pressures public bodies face, is prioritising prevention.

Exhibit 3: key themes to help public bodies strengthen how they apply the Act and make sure they are getting value for money

	Prioritising prevention
	The right information to understand pressing and complex problems
	Aligning resources to make it happen
	Collaborating to unlock system challenges
	Working for and with the public
	Integrated thinking
	Measuring and being held to account for the right things

Source: Audit Wales

56 Delivering change will require action from all public bodies individually. But that will not be enough. They are working in an environment that does not always promote that change. We describe some of these factors in the sections that follow.

Public bodies are struggling to make a more systematic shift towards prevention, but without it budgets will be exhausted, and outcomes will likely be worse

- 57 Public bodies will not build sustainable public services without getting ahead of the tide of demand. The case for prevention is continually made and widely appreciated. There is a range of evidence that quantifies the impacts for individuals, on public sector budgets and the economy. **Exhibit 4** sets out some examples based on other research.

Exhibit 4: examples of estimated impacts from investing in prevention



Public health in general offers a **£14 return for every £1** invested



Programmes promoting breastfeeding can **save the NHS around £50 million annually** by improving mental health and reducing hospital admissions



Homelessness prevention programmes can yield **savings of around £9,266 per person** when compared to allowing homelessness to persist for 12 months



Parenting programmes offered a **return of £15.80 for every £1** invested



Data sharing between emergency departments and the police can provide **returns of £82 for every £1** invested and substantially reduce the costs associated with violence



Targeted group sport activities aimed at increasing physical activity across different age groups offers **social returns of between £1.91 to £22.37 per £1** invested

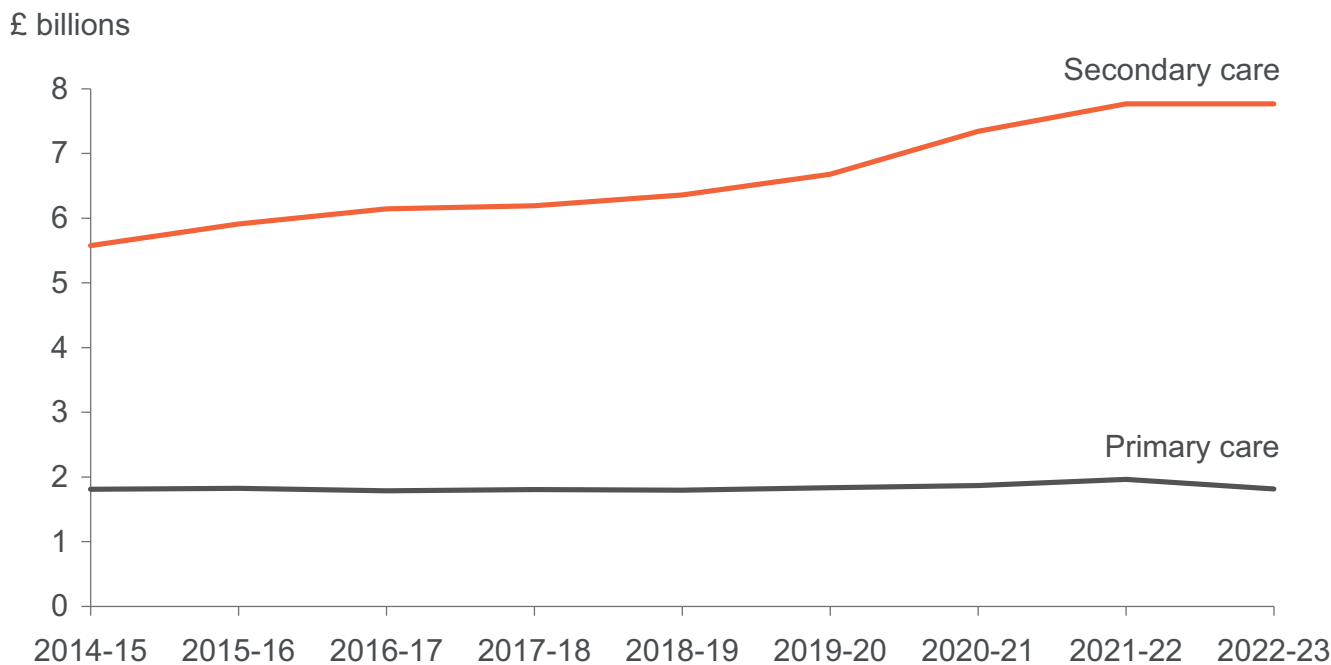
Source: Masters R, Jones A, Davies J, Stielke A, Kadel R, Jenkins L, Dardur A, and Azam S. [Investing in a Healthier Wales: prioritising prevention](#). Cardiff: Public Health Wales NHS Trust, January 2025

Note: These are selective examples that show some of the most significant returns on investment set out in this source. The report contains further examples.

- 58 We see that the need to invest to meet immediate financial and demand pressures can make it especially challenging for public bodies to invest in prevention. Choices are made harder by the fact that it takes time to see returns on investment. Also, those returns may be accrued by bodies other than the one making the investment. Public bodies must also consider public expectations, which may be more focused on access to, or the quality of, services in the here and now.
- 59 Nevertheless, public bodies have a duty to balance immediate pressures with longer-term impacts. The longer it takes to make the shift to prevention, the worse things are likely to get. There is no perfect solution, but we have continued to emphasise the importance of tackling fraud, inefficiency, and waste in the short term, so that public bodies can make use of their limited resources to best effect.
- 60 In 2020, we found public bodies recognised the need to work preventatively but were sometimes missing opportunities to deliver on that in practice. We noted they were finding it difficult to redirect core resources to deliver new, preventative delivery models. Shortly after our May 2020 report, we reported on how money was being wasted because public bodies continue to react rather than prevent rough sleeping.
- 61 In 2025, we see that prevention is under pressure. This is evident in certain spending choices. The Welsh Government acknowledged its 2024-25 budget could 'impact the capacity of prevention services such as smoking cessation, weight management and exercise support'. It also included significant cuts to culture bodies' funding⁵. The Commissioner's assessment of the Welsh Government's draft 2025-26 budget found 'it does not yet prioritise prevention'.
- 62 The NHS faces enormous immediate pressure. The growth in the numbers of people waiting for planned care following the pandemic will require continued focus and resources. Health funding reflects this, with overall revenue funding increasing by 30% in real terms when comparing 2014-15 and 2023-24.
- 63 Increases in health spending have been directed to secondary care. It grew by 39% in real terms, when comparing 2014-15 and 2022-23. However, real terms spending on primary care remained relatively stable over the period (see **Exhibit 5**). This is in the context of primary care having a key role to play in preventative healthcare through routine health checks, immunisations, patient education and lifestyle advice. Primary care also plays a key role in the effective management of chronic conditions – such as diabetes, asthma and hypertension – by helping prevent complications and unplanned hospital admissions.

5 In January 2025, the Senedd's Culture, Communications, Welsh Language, Sport, and International Relations Committee published [A decade of cuts: Impact of funding reductions](#).

Exhibit 5: all Wales Local Health Board real terms expenditure on primary and secondary care services, 2014-15 to 2022-23



Source: Programme budgeting submission from NHS Wales Executive based on returns from Local Health Boards, published by the Welsh Government on [StatsWales](#)

Notes:

- 1

Local health boards fund services provided by primary care practitioners such as GPs and dentists, and secondary care services such as hospital treatment. Local Health Board expenditure includes a small amount of other expenditure which cannot be classified to primary or secondary care.
- 2

The equivalent data for 2023-24 was not published at the time of drafting this report.
- 3

Real terms figures are adjusted to take account of inflation. We used HM Treasury GDP deflators at market prices for 2023-24, December 2024. These were the latest available at the time of drafting this report.
- 64

However, the picture is complicated by the fact that expenditure by health boards on primary care is not consistently categorised. We have found that health boards often lack a baseline understanding of the true cost of primary care. Having such a baseline is essential if health boards are to understand progress in shifting resources from secondary to primary care.
- 65

We have also highlighted challenges in the primary care workforce and that capacity in central Primary Care Services Teams in some health boards is stretched. More generally, we found certain health boards could strengthen Board and committee oversight of primary care. This is important in ensuring it has visibility and focus in decision-making and scrutiny.

- 66 The contribution of the NHS to population health outcomes is only estimated to be somewhere between 10% and 20%⁶. Many of the levers sit with councils. However, their core revenue funding fell by 0.55% in real terms when comparing 2014-15 and 2023-24.
- 67 Councils also face rising demand, making it difficult to invest in prevention. For example, our work on tackling poverty found councils were typically focused on responding to people in crisis rather than preventing them from getting into poverty in the first place. This was largely due to the high numbers of people who needed services because they were struggling day-to-day.
- 68 More generally, we have seen how pressure to meet short-term needs in statutory services such as social care has impacted spending on other regulatory services, such as trading standards, or preventative services such as community safety. **Exhibit 6** shows examples of this.

Exhibit 6: percentage changes in real terms gross (and net) spending by councils on a sample of services, 2014-15 to 2023-24



Source: Audit Wales analysis of [Welsh Government data](#) collected via local authorities' revenue outturn annual returns

Notes:

- 1 We have selected a sample of high spend services that have seen significant increases. We also selected a sample of services that have seen large percentage decreases that are of interest because they relate to regulatory services or services with preventative benefits.
- 2 Real terms figures are adjusted to take account of inflation. We used HM Treasury GDP deflators at market prices for 2023-24, December 2024. These were the latest available at the time of drafting this report.
- 3 Net expenditure figures in brackets comprise the gross expenditure less any income the service area receives.

6 Centre for Progressive Policy, Core Cities and Metro Dynamics, [Preventative Public Services: Policy Working Paper for Core Cities](#), October 2024

- 69 Decisions to reduce preventative spending by one department or organisation affect demand for other services. Our current work on temporary accommodation is highlighting the challenge councils are facing in making a shift to a more preventative approach in the face of reductions to services that could help reduce demand. This must be seen in the context of the lasting impact that living in temporary accommodation can have on people's well-being, not least children.
- 70 In the case of health and social care, there is a dedicated funding stream designed to promote prevention. The Regional Integration Fund (RIF) goes to Regional Partnership Boards (RPBs) across Wales. We found the funding is helping RPBs take forward evidence-based, preventative initiatives.

Reablement in Swansea

Reablement is intensive support for people to get back to independence after illness or a hospital stay. The West Glamorgan RPB has funded a community reablement service for patients over 65 in Swansea. The service is made up of domiciliary care workers, residential care staff, physiotherapists, occupational therapists and nurses. Between 2023 and 2024, Swansea Council noted a significant reduction in need for long-term care when people had reablement support. This was the case for 80% of people who had reablement packages in a residential home and 60% of people who had a reablement package in the community.

- 71 However, we do not see enough evidence that health and social care partners are reshaping their core services and budgets to deliver these initiatives for the long term. RIF funding is designed to be short term. Health and social care partners are expected to provide match funding and then 'mainstream' the initiatives, taking on the long-term funding. In practice, they struggle to do this. This means partners may face difficult decisions about reducing or stopping valuable projects and limits the number of projects they can support. Ultimately, there is a risk the RIF does not deliver the system-wide impact that is intended⁷.

⁷ We reported on this same risk when we looked at a predecessor programme, the Integrated Care Fund, in 2019. We will be looking in more detail at how lessons have been applied as part of ongoing audit work.

- 72 Our recent cancer services review found that there is no coherent strategic approach to prevention of cancer and other major conditions. We reported that the Welsh Government has not set out a clear, over-arching strategic approach to shifting the balance of care towards prevention across the many public sector bodies whose priorities, choices and behaviours would need to change. This is even though 38% of all cancers each year in Wales are preventable and that doing so could save lives and reduce demand for NHS services.
- 73 One purpose of the Act must surely be to ensure a joined-up, sustainable approach to tackling critical and preventable health issues such as cancer. Our findings raise significant wider questions about the implementation of the Act and its impact to date across our NHS.
- 74 It will be important for the Welsh Government to consider how it can incentivise and support other bodies to deliver prevention. For example, through funding (see **paragraphs 114 to 115**) and performance and oversight (see **paragraphs 123 to 130**). Public bodies will also need to understand how much they are currently investing and the returns they are getting. This is not easy; public bodies will require advice and support to help them do this.

Exploring preventative investment in local government

CIPFA is working with the [Health Foundation](#) to explore the extent to which council spending on prevention can be quantified. Working with partner councils in England, one in Wales, and wider stakeholders, this work will seek to build consensus on a definition and scope for preventative action against which services and programmes could be mapped, and levels of spending identified.

The aim is to increase transparency on the levels of investment to inform decision-making and make the case for prevention.

Public bodies often lack the right information to manage the here and now, and to address complex problems for the long term

- 75 Public bodies need the right information to help them take evidence-based decisions and learn from the past to inform the future. They also need to be able to look ahead and understand the changing picture of demand, risk, and opportunity. This will help them balance present-day choices with their pursuit of longer-term ambitions. It will also help them find shared solutions to deep-rooted problems.
- 76 In 2020, we saw many examples of public bodies thinking about the long-term, informed by a reasonable understanding of demand pressures. However, we highlighted the need for more sophisticated planning for the future, informed by a broader understanding of demand and trends.
- 77 In 2025, we see some positive practice. For example, our work on councils' digital strategies found they were often drawing on future trends and broad evidence to inform their thinking, though many could go further.

Powys County Council: Understanding the long-term factors that may impact the digital strategy

The Council has used the PSB's well-being assessment to identify the future needs of the population and led on the development of the PSB's 'Well-being Information Bank which provides automated insight and intelligence'. Its digital strategy business cases then identify possible future trends and comment on possible future risks and opportunities. The Council's Digital Services Team works closely with services to understand their future direction, needs, and challenges. They regularly horizon scan and investigate how the Council could use digital technology and data to improve the customer experience.

- 78 We have commonly identified opportunities for public bodies to expand their information base and use it to inform decisions. For example:
- our work on rough sleeping at the start of this reporting period identified opportunities for councils and their partners to make better use of data to understand both the current situation and predict future demand to prevent homelessness; and
 - our recent affordable housing review found the Welsh Government lacked a long-term assessment of need and recommended it develop its understanding of underlying demand.

- 79 Sharing and analysing data, which is likely to be held by different bodies, is necessary to improve services and understand demand. Our work on urgent and emergency care found that available data does not go far enough in looking across the whole health and social care system to support strategic decision making. Better and more joined-up data could help promote preventative and collaborative responses to longstanding challenges.
- 80 Public bodies also need to understand the current situation and trends to help manage their resources. Workforce planning is an important example of this. Without such information, public bodies will not be able to match skills and capacity with demand and deliver on their objectives:
- at the Welsh Government, we found workforce information did not meet the needs of effective workforce planning and management. Though, we recognised it was developing plans to improve it.
 - we found NHS Wales was taking some positive steps to improve its workforce data. However, there is still work to do to fill gaps in specific areas. Better forecasting data is also needed to bring a longer-term outlook to an NHS that is often drawn to tackling the immediate short-term challenges.
 - we have identified similar opportunities to strengthen workforce data in councils.
- 81 Our financial sustainability reviews across councils identified that, while most had not, a few had analysed the scale and nature of long-term predicted demand for services using internal and external data. We noted that expanding such practice could help councils develop a detailed understanding of budget pressures in areas including adult social care.
- 82 We appreciate there are practical challenges to improve the quality, breadth, and sharing of data. For example, skills and capacity, difficulties collecting data, and concerns about data protection. However, getting the data right in the here and now will pay dividends in the future.
- 83 A good example of where this is important is carbon reduction. Our report on public sector readiness for net zero identified the need to improve data quality and monitoring, particularly for supply chain emissions, and to develop systems to capture the data. In separate audit work on decarbonisation at certain bodies, we found they were at various stages of developing their data and emphasised the importance of establishing a baseline.

Public bodies can find it challenging to deliver on wider benefits but need to find ways of driving them through if they are going to solve the complex, interconnected issues they face

- 84 The Act promotes joined-up thinking that can lead to joined-up solutions. Thinking in an ‘integrated’ way should help public bodies make the connections across their own work. It should also shine a light on where they can help partners achieve their objectives. The aim is to deliver more for people and the planet and get the most from public money.
- 85 In 2020, we found that public bodies could often describe connections between their objectives, their partners’ objectives, and the national well-being goals. However, there was more they could be doing to apply the thinking to help deliver wider benefits. We noted the risk of integration being approached as a bureaucratic exercise, focused on showing the links on paper.
- 86 In 2025, we see public bodies making connections and thinking more about the wider benefits they can deliver. We saw examples of this when we look at councils’ strategic approaches to asset management. Some were considering how they could make progress towards net zero targets by reducing office accommodation and journeys to and from work. Some were considering how they could meet economic objectives, including disposing of main office buildings as part of wider regeneration plans. We made recommendations to encourage other councils to apply similar thinking.
- 87 Where the focus on wider benefits is evident in bodies’ thinking and key strategies and plans, they still need to develop their processes to drive them through. For example, it is good to see that the Welsh Government’s Wales Infrastructure Investment Strategy, published in December 2021, is rooted in the Act. It provides a long-term, outcome-focused direction. It directs projects and programmes to deliver strategic outcomes that go beyond the core benefits of creating or maintaining an asset. However, the Welsh Government needs to do more to ensure departments maximise and report on their contributions to those outcomes.
- 88 Similarly, investment in active travel seeks to achieve multiple benefits for health, the economy, and environment. Positively, active travel is referenced in a range of policy and legislation, including Planning Policy Wales and the Sustainable Communities for Learning Programme. However, we heard that planning decisions on new schools and housing developments are often taken without enough consideration of active travel. And although Welsh Transport Appraisal Guidance (WeTAG) says new transport projects, including road or rail, should integrate active travel at the outset, we heard of cases where this has not happened.

- 89 These examples underline the importance of public bodies adapting their processes – such as business cases – to help turn aspirations into real benefits. They then need to drive this through and continue the focus as part of monitoring and evaluation.
- 90 Delivering on different policy priorities often depends on the actions of others. Our work on sustainable tourism at the three National Park Authorities (NPAs) showed the practical challenge of balancing conserving the natural environment and cultural heritage with promoting public enjoyment⁸. Many of the strategic levers for sustainable tourism rest with bodies who do not always share the same vision or have the same responsibilities for protecting the environment of the national parks. We noted that our findings also had implications for how the Welsh Government develops and sets priorities for the NPAs.
- 91 Financial pressures mean difficult decisions are inevitable. Public bodies cannot do everything. We have seen, for example, how financial realities have meant tough choices on affordable housing. While it may be easy to see wider benefits as a ‘nice to have’, delivering on them can help public money stretch further and keep bodies on track towards their long-term ambitions.

Affordable Housing: Tough choices on the 20,000 homes target

The Welsh Government is aiming to build 20,000 new low carbon social homes for rent by 2026. It also wants to achieve wider benefits, such as reducing carbon emissions.

Inflation has driven up the costs of building. Without additional funding, we estimated that the Welsh Government and partners would fall some way short of the target.

In the short term, the Welsh Government’s choices boil down to build or buy. Acquisitions of existing homes are relatively quick to secure, and they are cheaper. Shifting to acquisitions could also help to reduce the high numbers of people living in temporary accommodation more swiftly.

But acquisitions do not offer the same carbon reduction benefits or meet the same space standards. Unless it involves bringing empty homes back into use, acquisitions do not add to the total housing stock. This shows the challenge of balancing different short and longer-term considerations when money is tight.

⁸ The NPAs’ two statutory purposes are: to conserve and enhance the natural beauty, wildlife, and cultural heritage of the National Park; and to promote opportunities for public enjoyment and understanding of the special qualities of the National Park.

Public bodies have shown they can come together to respond to a crisis, but are not always working together effectively to address complex challenges

- 92 Public bodies need to work together to respond to complex challenges and achieve value for money. Collaboration can realise economies of scale or avoid duplication. It can mobilise partners to manage demand and stop problems from getting worse. Collaboration can also help deliver wider benefits. It is not just about working together to address short-term problems.
- 93 In 2020, we found many positive examples of collaboration, but opportunities for public bodies to work with a broader range of partners to increase impact. We also found they could strengthen how they go about collaboration, placing greater emphasis on assessing impact and reviewing effectiveness.
- 94 Our work during the pandemic highlighted key lessons, but we commented in generally positive terms on how public bodies had put in place collaborative systems and flexible governance in other areas of the response. This included the Test Trace Protect programme, the procurement and supply of protective personal equipment, and the vaccinations programme.
- 95 On rough sleeping, we observed how public bodies had responded together to provide support during the early stages of the pandemic. This was against a backdrop of historic weaknesses in partnership working. We emphasised the opportunity to build on this to support longer-term change.
- 96 Since then, we have reported on other positive examples. We found that the Welsh Government and education consortia had worked well with the education profession in an area of significant policy change to co-design the new Curriculum for Wales. And we have recognised how public bodies came together with their partners to accommodate and support people arriving from Ukraine, building on learning from the pandemic response.

- 97 Overall though, the picture on collaboration remains mixed. We have identified missed opportunities or cases where bodies could go further. Examples from our work in local government include:
- digital transformation – we found some councils were delivering on their digital strategies with a broad range of partners, but most could go further;
 - social enterprise – we said that most councils had adopted a passive leadership role and were missing out on the potential for social enterprises to help deliver services that can improve people’s quality of life; and
 - building safety – we highlighted opportunities to improve services through greater collaboration and regional working but found little progress had been made to drive this forward.
- 98 PSBs exist to drive local collaborative responses to the big challenges. Their membership and remit mean they are ideally placed to respond to various cross-cutting issues. However, PSBs operate in a crowded landscape. This means public bodies have to work out how PSBs relate to other partnerships with related remits, often covering different geographies. This is not straightforward.
- 99 RPBs also exist to drive collaborative responses to system-wide challenges but focused on health and social care. They operate on health board boundaries. Our work on urgent and emergency care has highlighted where funding is helping to drive collaboration and deliver preventative initiatives but raises questions about the effectiveness of the partnerships in driving sustainable change (see **paragraphs 70 and 71**).
- 100 Any partnership working requires an investment of time and capacity. This is especially the case when there are multiple boards and working groups to service. But time and capacity are at a premium in all public bodies. It can be especially difficult for bodies that cover a large geography to engage at a local level.
- 101 The partnership landscape will continue to develop as Corporate Joint Committees deliver on their statutory remits and changes to the regional education consortia take effect. The Commissioner has commented on the Welsh Government’s ‘seemingly ad hoc’ introduction of partnerships and that ‘many PSBs are not operating effectively due to a lack of resources and support for implementation’. He has recommended that the Welsh Government assess and streamline partnership structures. His report also highlights some of the characteristics of effective PSBs.
- 102 We also urge public bodies to make sure their partnership working is effective and having the desired impact. Otherwise, they could be wasting time and money and missing opportunities to deliver better outcomes.

Corporate Joint Committees

CJCs came into effect in April 2021 and took on their core functions and duties from June 2022. In November 2023, we reported that they were still in their infancy. Although they were building on city/growth deal arrangements, they had not all determined how they were going to work with other partnerships and bodies to make the most of resources and expertise. This is crucial given the main rationale for the CJCs' establishment was to strengthen regional collaboration.

Our active travel report noted that CJCs were now part of a crowded delivery landscape. CJCs' regional transport planning functions mean they will have an increasing role in determining priorities, including in respect of strategic cross-boundary active travel routes.

Public bodies are missing opportunities to put people at the heart of their services

- 103 Involvement must not be seen as a 'nice to have'. Understanding what people want and need is an essential ingredient for achieving value for money. It can help public bodies get service design right first time. It can help them understand what is really going on and stop things getting worse. It can give insight into what kind of future people want.
- 104 The idea of involvement challenges public bodies to go beyond traditional consultation. It suggests that public bodies should speak to people early, opening up the possibility of them being a direct part of service design and delivery, through to evaluation. In 2020, we reported that public bodies were often not creating opportunities for the public to be involved in this manner; and they needed to do more to involve the full diversity of the population.
- 105 In 2025, we still see a wide spectrum of involvement, and it is difficult to identify an overall trend in practice. There are notable examples. These include involvement on the development of services, as well as large-scale engagement exercises designed to promote a conversation with the public.
- 106 But we also find cases where public bodies are not involving people; or they do not hear from the breadth of their communities. This may mean they design solutions that do not meet people's needs or exclude some groups.

Natural Resources Wales: 'Nature and Us'.

Nature and Us was a national conversation with over 3,000 people about the natural environment in Wales. NRW then convened a citizens' assembly to turn that intelligence into a shared vision for the year 2050 and consider the changes we need to make leading up to 2030 and 2050, as individuals and as a country.

- 107 The challenges public bodies face mean they need to change what they do. People across Wales have a stake in these changes. On decarbonisation, we saw some positive thinking and examples of councils engaging their communities, as well as opportunities for some to go further. We stressed to Fire and Rescue Authorities the value of involving staff in shaping, and taking, action to help achieve environmental goals. On sustainable tourism, we recommended that NPAs work with tourists and businesses to influence their behaviour.
- 108 Our 2021 report on discretionary services in local government found councils were neither effectively nor consistently involving people in decisions about the future of those services. This is despite people's apparent willingness to get involved in helping shape and run services. We have also found that councils have a mixed track record in helping to build community resilience and strengthen self-reliance. Our work suggests they have found it difficult to empower people and to shift to being an 'enabler' rather than 'direct provider'.

Our findings on impact assessment

'Impact assessments' are one way that public bodies can draw on what they learn from people to shape their decisions. Our 2022 report on tackling poverty found the information in assessments is often out of date or insufficient. That same year, our report on equality impact assessment found qualitative information was patchy. It highlighted concerns that diverse groups were not being involved often enough.

- 109 Effective involvement takes time, but public bodies are often working to tight timescales with limited capacity. Our work in councils shows there is a continued reliance on annual savings rounds to meet budget pressures, rather than longer-term transformation plans. There is a risk that planning savings in this way means there is little time to fully engage with communities and explore new ways of working together. In the NHS, we highlighted a similar short-term focus (see **paragraph 119**) and found that while bodies draw on some stakeholder ideas to help them develop and assess cost savings, the picture varied.
- 110 Through our work on active travel, we heard concerns about skills and resources in local authorities to engage effectively. We also heard about limited resources within organisations representing people with protected characteristics to enable them to input effectively with lived experiences.
- 111 We recognise that involvement must reflect the realities of resources and capacity. Public bodies will need to balance these limitations with their statutory duties and the benefits that effective involvement can bring. This starts with prioritising and valuing involvement within the decision-making process. There is no 'one-size-fits-all'. Public bodies will instead need to consider how they can make best use of their involvement exercises and look for opportunities to join up activities with partners.
- 112 Public bodies also need to know what people think to properly understand the impact they are having. This is especially important because, for many services, people do not have a choice as to who provides them. It is also a way for public bodies to demonstrate that they value what people think. We looked at this across councils and found they included very little performance information to help senior leaders understand the perspective of service users (see **paragraph 122**).

Public bodies need to take a longer-term view of how they achieve financial sustainability, as well as getting a better grip on the resources required to deliver various plans and activities

- 113 By 2025, we should be seeing public bodies using the Act to help them plan their finances and achieve financial sustainability over the medium and longer term. We should also be seeing a clear understanding of the funding required to deliver on the plans and activities that are critical to them meeting their well-being objectives.
- 114 We understand there are barriers to financial planning for the medium and longer term. For example, we have commented in other reports on:
- short-term, often annual, funding cycles that can create uncertainty – although, in practice, the Welsh Government also faces constraints in setting longer-term budgets due to UK budget and political cycles.
 - the Welsh Government's timetable for announcing the local government settlement – which has moved back, squeezing councils' budget setting processes. Other bodies also describe the impact of late funding notifications.
 - in-year allocations of specific grants – that can complicate bodies' financial planning and delivery, even more so where these come late in the year and must be spent at short-notice.
 - capital funding that is not backed up by additional revenue funding – for example, to support ongoing maintenance for an asset or behaviour change.
- 115 These issues can result in funding not being used in a planned way to secure value for money and better outcomes for the long term, aligned to bodies' objectives. It is also reasonable to assume these factors can make it more difficult for public bodies to invest in prevention, which is likely to require a sustained funding commitment. For example, through our work on tackling poverty across councils, we heard that the annual cycle of bidding does not support them to tackle the more difficult and longer standing problems.
- 116 How external funding works is largely out of public bodies' control. Nevertheless, it is important they put themselves in the best position to respond by carrying out effective financial planning. This involves taking a longer-term view of trends in funding and cost pressures, as well as factors such as demand pressures, risks, and any income generation opportunities. Financial plans should set out any projected funding gaps, supported by further detail on how they will be bridged. This should all be considered in the context of how bodies deliver their well-being objectives.

- 117 We found that Welsh Government arm's length bodies in the culture sector did not all have medium-term financial plans in place. Where they did, we recommended expanding them to cover wider factors, such as those listed above.
- 118 Our work across councils found that few had a comprehensive understanding of how they would close their projected budget gaps beyond the next two years. We emphasised the importance of looking towards the longer term. This would give them more insight into the challenges they face and help them develop longer-term solutions that cannot be implemented in an annual cycle.
- 119 We have also undertaken work on cost savings at health boards that found they often rely on annual, non-recurrent savings to meet immediate financial pressures. They recognise the need to transform services to achieve financial sustainability, but their plans are not sufficiently developed. There is a need to accelerate the pace of this work, given the scale of financial pressure these organisations are under.
- 120 We also found public bodies are often unclear on, or find it difficult to get to grips with, the resources needed to deliver various plans and actions. **Exhibit 7** lists some examples.

Exhibit 7: examples where we have found public bodies need a clearer understanding of the resources required to deliver plans and priorities



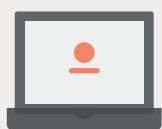
Workforce strategy

We found workforce strategies within health bodies were typically high-level and often lacked underpinning costed implementation plans.



Asset management

We found some councils needed a better understanding of the cost of maintaining and transforming their assets. We also emphasised the importance of having costed delivery plans.



Digital transformation

We found councils' digital strategies were not, in many cases, underpinned by resourcing information. Where financial information was available, it was often incomplete, or its basis was unclear.



Decarbonisation

We found most public bodies had not fully assessed the financial implications of reaching net zero by 2030. We undertook further work at councils that found they needed to fully cost their plans and align them to their medium-term financial plans.



Biodiversity

We found many bodies do not consider that they understand the financial implications of complying with their duties under the Environment (Wales) Act 2016. And while some welcomed available external funding, others said it was too little to enable everything that was required. As such, they were having to find funding from existing budgets and take difficult decisions on service priorities.

Public bodies are often not able to demonstrate the impact of various plans and activities, or the value for money they are achieving

- 121 Public bodies should be held to account for delivering on well-being. This means they need to show the difference they are making and whether they are spending public money well. It means they need the right processes to monitor and challenge progress so they can learn and improve. The Act requires that public bodies report on their progress, and it is important they do so clearly and transparently in a way that is accessible to the public.
- 122 Our work across councils found a lack of focus on measuring outcomes. Instead, their performance reports tended to focus on outputs, the ‘what’, with little evaluation of the ‘so what’. We expected to find a more positive picture than we did, as the importance of understanding outcomes and the perspective of service users has been emphasised for years. The Act should be helping to encourage this focus.
- 123 Our work on Welsh Government capital infrastructure investment has found that it has developed tools to help departments evaluate progress towards strategic outcomes linked to social, cultural, economic, and environmental well-being. However, departments are not using them consistently or comprehensively. The Welsh Government could provide more direction to departments, particularly where projects are seeking to achieve similar or related impacts.
- 124 Our work on active travel found government does not have robust, long-term data on how and why people travel and on wider outcomes from active travel. We also found that statutory reporting requirements for active travel are not being met consistently, with the quality of information reported by local authorities varying considerably. The Welsh Government and Transport for Wales have been developing an overall monitoring and evaluation framework for active travel, but it has been a long time coming.
- 125 Gaps in data also risk holding back progress on the climate emergency (see **paragraph 83**). The same is also true for the nature emergency. There are currently no specific domestic targets for biodiversity in Wales, which has been seen as a major barrier to progress by some. Our work also indicates that some public bodies are not clear on how the Welsh Government’s commitment to the international target to protect at least 30% of land, freshwater, and sea for nature by 2030⁹ should be measured or achieved. The Welsh Government has been reviewing the actions it is taking to prioritise delivery of the target. It acknowledges there are areas where more progress could be made.

9 The Welsh Government carried out a ‘deep dive review’ in 2022 to consider how action to support nature recovery could be sped up. The review group chose this ‘30x30 target’ as its strategic focus.

- 126 Our cancer services report highlights that the Welsh Government's NHS Performance Framework (2024-25) does not include measures on cancer incidence, mortality, and survival rates. The focus is largely on delivery of the 62-day cancer performance target, rather than broader system change and wider delivery of the vision in the Quality Statement for Cancer. There is also very limited information to understand how equitable cancer services are.
- 127 The Commissioner reports that, based on the views of health boards, 'the Welsh Government's wider performance and assurance demands reinforce a short-term focus'. The Commissioner notes that, despite a greater focus on prevention in the 2025-2028 planning framework, the 'metrics' and 'enabling actions' it sets out need to align better to prevention.
- 128 We have also commented on targets that are not always helpful in promoting long-term planning. For example, in the case of affordable housing, there is no formal long-term strategy and the Welsh Government's 20,000 homes commitment centres on a five-year target. The five-year target period approach risks embedding an unsustainable delivery pattern, where delivery is lower early in the period and then ramped up later. This pattern complicates financial planning and management and creates the risk of underspending early in the cycle and a shortfall later.
- 129 We recognise that measuring outcomes – particularly where they relate to broader and indirect benefits – can be a challenge, and potentially resource-intensive. However, where bodies have set ambitions in line with the Act, it is important they measure them.
- 130 Proportionality is important, but the Auditor General has previously raised concerns that financial and capacity constraints will lead public bodies to cut corners in work to monitor and evaluate the impact of spending. That would be a clear false economy, for both the short and longer term.
- 131 More generally, we think there is scope for the Welsh Government to take a fresh look at the assessment of performance and impact under the Act. As it stands, the Act's national indicators and milestones form the basis of reporting on the well-being of Wales. Public bodies are not required to take account of these in monitoring their own progress and impact. We are not recommending common national performance measures. However, the issue of how public bodies assess progress and show their respective contributions to the well-being of Wales requires further consideration.

132 The performance landscape has changed since the introduction of the Act. There is a different performance regime for councils and the Welsh Government no longer requires them to collect and report on a common set of measures. There are also other possible forthcoming changes that could influence how Wales assesses progress towards a more sustainable future (see **Exhibit 8**).

Exhibit 8: developments that could influence reporting on sustainability



Welsh environmental law

Welsh Government proposals to change environmental law that would potentially introduce targets and statutory duties for the protection and restoration of biodiversity in Wales, including requirements for monitoring, reporting and scrutiny.



Sustainability reporting

UK government plans to consult during 2025 on the adoption of international sustainability reporting standards for the private sector. Subject to that consultation the UK and Welsh Governments will determine the extent to which these standards should be applied across the public sector.



Sustainable Development Goals

Preparations for updates to the United Nations Sustainable Development Goals in 2030 – member states adopted 17 goals in 2015 with 169 associated targets.

Source: Audit Wales



What's next for the Act and our work

- 133 The Senedd Cymru (Members and Elections) Act 2024 will increase the number of members from 60 to 96 at the May 2026 election. It also means future elections will take place every four years, rather than five as has been the case since 2011.
- 134 The expansion in Members should support additional scrutiny. It provides a fresh opportunity to ensure the Act is at the heart of that scrutiny, including in the work of Senedd committees. To achieve this, new Members will need to be familiar with the Act and learning from the past 10 years. We will play our part in that as we communicate about our own work.
- 135 However, a shorter electoral cycle could also result in a shorter-term focus. All those involved in the scrutiny of public services will need to be alert to that risk and ready to challenge decisions and actions that are not in keeping with the Act. For wider public services, much will depend on how the next Welsh Government frames its own programme and manages delivery against it; but much remains within public bodies' own control.
- 136 The shorter electoral cycle also impacts on our audit work under the Act, which is tied to that cycle. We will need to complete our audit work in a shorter period and more frequently over time. Meanwhile:
- the duties on the Auditor General now cover more bodies than they did in 2015 – up from 44 to 56¹⁰; and
 - there is the prospect of other new bodies being created that are subject to the Act.
- 137 We have sought to integrate our examinations under the Act within existing programmes of work, as far as possible, but these developments are driving extra costs. They also have an impact on our scope to choose to examine matters that may present greater risks to value for money. In our view, changes to the Act and other relevant audit legislation would enable a more proportionate, economic, and impactful approach. In the meantime, we intend to continue with the same overall audit approach as in this reporting period.

10 This increase reflects the creation of four Corporate Joint Committees and the addition of eight other bodies from June 2024 (see **Appendix 1**). The Welsh Government consulted on the addition of the eight bodies during 2022, partly in response to a recommendation in our May 2020 report.

- 138 We made a recommendation about post-legislative scrutiny of the Act in our May 2020 report. In response, the Welsh Government has commissioned an evaluation of the Act. This remains at an early stage and what it will lead to is unclear. The Senedd's Equality and Social Justice Committee has also very recently launched an inquiry on post-legislative scrutiny of the Act.
- 139 There are still issues to consider around the Act itself and its accountability framework in the current public service delivery landscape. There are also issues to consider around how certain requirements interact with wider legislation.



Recommendations

- 140 We are not making recommendations across the bodies covered by the Act having already made recommendations through our earlier examinations.
- 141 The Commissioner's report has a different scope and backdrop. It includes recommendations to the Welsh Government and public bodies on a range of wider matters. We recognise the Welsh Government is also taking forward action through its Continuous Learning and Improvement Plan (CLIP) for 2023 to 2025, which brings together actions to strengthen its implementation of the Act. The Welsh Government developed the CLIP in response to a report by the Commissioner in December 2022.
- 142 We have chosen to make four recommendations of our own to the Welsh Government. These are strategic in nature. They relate to the Act itself and what the Welsh Government can do to accelerate progress.

Recommendations

Post-legislative evaluation and scrutiny

R1 In the context of:

- our recommendation in 2020;
- the Commissioner's latest recommendation on post-legislative review in 2025; and
- the Senedd Equality and Social Justice Committee's planned inquiry into post-legislative scrutiny of the Act;

the Welsh Government should now clearly set out a scope and timetable for its own post-legislative evaluation and any changes to the Act.

(See **paragraphs 133 to 139**)

Work undertaken by the Welsh Government in relation to recommendations 2 to 4, and the wider issues raised by this report, should also feed into evaluation and scrutiny.

Minimising uncertainty in funding

R2 The Welsh Government faces its own constraints in setting longer-term budgets due to UK budget and political cycles. However, public bodies continue to describe the negative impact of annual settlements, late funding notifications, and in-year allocations. The Welsh Government should work with public bodies to explore and agree what can reasonably be done to minimise funding uncertainties and aid their medium and longer-term planning where possible¹¹.

(See **paragraphs 114 to 115**)

11 Our forthcoming report on the [Wales Infrastructure Investment Strategy](#) will make a related recommendation on longer-term financial planning within infrastructure programmes, building on a similar recommendation in our September 2024 report on affordable housing.

Promoting prevention

R3 The Commissioner has recommended that the Welsh Government ringfences funding for prevention, which increases over time. This reflects calls from several organisations at a UK level. The Welsh Government should also explore other, complementary, ways of encouraging investment in prevention. This should include working with public bodies to:

- strengthen the understanding of the levels of investment in prevention and its impact;
- build on work to embed prevention in the budget process, considering, for example, opportunities to bring funding together across different parts of the system to support prevention;
- incentivise and protect preventative spend at a local level; and
- learn from others beyond Wales, for example, taking account of work that CIPFA is undertaking on understanding preventative spend.

(See **paragraphs 57 to 74** and **114 to 115**)

Understanding impact

R4 The Welsh Government should work with public bodies to take a fresh look at the assessment of performance and impact under the Act. This work should consider:

- how best to measure the impact public bodies are having and their contribution towards the well-being of Wales; and
- how assessment of performance and impact can promote the aims of the Act and reinforce the need to work preventatively and collaborate.

(See **paragraphs 131 to 132**)



Appendices

- 1 About our work
- 2 Language and concepts used in this report

1 About our work

Scope

Under the Act, the Auditor General may carry out examinations of named public bodies for the purposes of assessing the extent to which a body has acted in accordance with the sustainable development principle when:

- setting well-being objectives, and
- taking steps to meet those objectives.

The Auditor General must carry out such an examination at each public body at least once during a specific reporting period. The current reporting period began in early May 2020 and ends in early May 2025.

The Act links the reporting period to the timing of Senedd elections. Before the end of the reporting period, one year ahead of the election, the Auditor General must report on the results of these examinations. This report discharges that duty. It is based on evidence and conclusions from a wide body of audit work. For context, it also refers to findings from our May 2020 report.

Our work has covered the 44 bodies named originally in the Act and the four Corporate Joint Committees established under the Local Government and Elections (Wales) Act 2021¹². In June 2024, eight further public bodies became named bodies under the Act¹³. Examinations at these bodies will inform the Auditor General's next statutory report.

Throughout the reporting period, we have maintained regular dialogue with the Commissioner's office to share information about our work and take account of theirs.

The specific examples we refer to in this report reflect the position that we found at a point in time. They refer to noteworthy elements of work undertaken, but do not necessarily reflect an overall conclusion.

¹² The CJC's are regional bodies responsible for strategic development planning, regional transport planning and promoting the economic well-being of their area. The four CJC's in Wales are South East Wales CJC; South West Wales CJC; North Wales CJC and Mid Wales CJC.

¹³ Transport for Wales, Centre for Digital Public Services, Digital Health and Care Wales, Health Education and Improvement Wales, Welsh Ambulance Services University NHS Trust, Social Care Wales, Welsh Revenue Authority, and Qualifications Wales.

Method

Examining the setting of well-being objectives

We developed a core audit framework to support our work on the setting of well-being objectives. We used the 'positive indicators' that we developed during the previous reporting period to inform our audit criteria.

Our core framework considered:

- Planning – and how the body:
 - had used data and other intelligence to understand need, risks, and opportunities and how they might change over time;
 - involved others in developing its well-being objectives;
 - considered how the objectives can improve well-being and have a broad impact; and
 - designed the objectives to deliver longer-term benefits, balanced with meeting short-term needs.
- Resourcing and delivery – and whether the body had considered how:
 - it can resource the well-being objectives; and
 - it can work with others to deliver their objectives.
- Monitoring and review – and whether the body had:
 - developed appropriate measures and monitoring arrangements; and
 - sought to learn from and improve how it has applied the sustainable development principle to setting its well-being objectives.

However, we tailored our approach at individual bodies to reflect local factors. This included cases where bodies had not set new well-being objectives during the reporting period, so we instead focused on how they reviewed them.

Where practical, we completed the examinations in 'real time'. This allowed us to share interim findings before the body's well-being objective setting process finished. A good example of this was our work at Natural Resources Wales.

These were typically high-level examinations involving review of key documents and interviews with officers at the bodies. When public bodies set new well-being objectives, they must publish a well-being statement setting out how they have applied the sustainable development principle in doing so. We reviewed supporting evidence relevant to those statements. We reported our findings and recommendations to each body.

Examining steps to meet well-being objectives

Following consultation with the Welsh Government and other public bodies, our approach to these examinations duties has evolved over time. In this reporting period, we integrated the examinations within existing programmes of work, as far as possible. Again, audit teams have used the ‘positive indicators’ that we developed in the previous reporting period to inform their audit criteria.

Benefits from this integrated approach include:

- a broader coverage of examinations;
- reduced cost and burden to public bodies; and
- a more rounded view of performance, which makes the connections between the sustainable development principle and value for money so that we can provide greater insight.

Much of the evidence informing this report comes from work where we have considered the five ways of working as part of work with a broader scope. This has been the case for our work at local government bodies, NHS bodies, and the Welsh Government. However, we have conducted certain examinations for the specific purpose of looking at the application of the sustainable development principle, notably for smaller central government bodies.

Findings from around 200 separate audit reports directly inform this report. These include various local audit reports that we have brought together in previous national summaries. Many other local reports have contributed to our understanding of how bodies are applying the Act. This is a substantial body of evidence and, alongside what we see day-to-day in our engagement with public bodies, it tells its own story.

However, our audit work only covers a small fraction of what public bodies do and that the Act should influence. This includes the services they provide or programmes they lead. It also includes the way bodies are run, or what the statutory guidance refers to as areas ‘where the change needs to happen’. For example, how bodies manage their workforce, finances, and assets; or how they procure goods and services.

Other Audit Wales reports mentioned in this report

The list below covers most of the areas of work mentioned in the main body of this report. However, we have also referred to some work that was finalised, or close to being finalised, but had not yet been published on our website at the time of drafting this report.

- [So, what's different? Findings from the Auditor General's Sustainable Development Principle Examinations](#), May 2020
- [Rough Sleeping in Wales – Everyone's Problem, No One's Responsibility](#), July 2020
- [Test, Trace, Protect in Wales: An Overview of Progress to Date](#), March 2021
- [Procuring and Supplying PPE for the COVID-19 Pandemic](#), April 2021
- [At your Discretion – Local Government Discretionary Services](#), April 2021
- [Rollout of the COVID-19 vaccination programme in Wales](#), June 2021
- [North Wales Fire and Rescue Authority – Carbon Emissions Reduction](#), March 2022
- [South Wales Fire and Rescue Authority – Carbon Emissions Reduction](#), April 2022
- [Mid and West Wales Fire and Rescue Authority – Carbon Emissions Reduction](#), April 2022
- [Tackling the Planned Care Backlog in Wales](#), May 2022
- [The New Curriculum for Wales](#), May 2022
- [Sustainable Tourism in Wales National Parks](#), July 2022
- [Public Sector Readiness for Net Zero Carbon by 2030](#), July 2022
- [Equality Impact Assessment: more than a tick box exercise?](#), September 2022
- [Setting of well-being objectives – Welsh Government](#), September 2022
- [Welsh Government workforce planning and management](#), September 2022
- [Time for Change – Poverty in Wales](#), November 2022
- ['A Missed opportunity' – Social Enterprises](#), December 2022
- Local audit work on carbon reduction plans across councils, including:
 - [Isle of Anglesey County Council – Decarbonisation Progress Update](#), November 2022
 - [Gwynedd Council – Decarbonisation Progress](#), January 2023
 - [Wrexham County Borough Council – Decarbonisation Progress Update](#), February 2023

- ['Together we can' – Community resilience and self-reliance](#), January 2023
- ['Cracks in the Foundations' – Building Safety in Wales](#), August 2023
- [Setting of well-being objectives – Natural Resources Wales](#), September 2023
- [Neath Port-Talbot Council – Setting of Well-being Objectives](#), September 2023
- [Springing Forward: Lessons from our work on workforce and assets](#), September 2023
- [Corporate Joint Committees – commentary on their progress](#), November 2023
- [Powys County Council – Digital Strategy Review](#), December 2023
- [Supporting Ukrainians in Wales](#), March 2024
- [Aneurin Bevan University Health Board – Primary Care Follow-up Review](#), March 2024
- [Cardiff and Vale University Health Board – Primary Care Follow-up Review](#), June 2024
- [Primary Care Follow-up Review – Swansea Bay University Health Board](#), June 2024
- [Hywel Dda University Health Board – Primary Care Follow-up Review](#), July 2024
- [Powys Teaching Health Board – Primary Care Follow-up Review](#), July 2024
- [Digital by design? Lessons from our digital strategy review across councils in Wales](#), August 2024
- [Affordable Housing](#), September 2024
- [Active Travel](#), September 2024
- [North Wales Region – Urgent and Emergency Care: Flow out of Hospital](#), September 2024
- [Financial Sustainability in Local Government](#), December 2024
- [Cwm Taf Morgannwg University Health Board – Primary Care Follow-up Review](#), January 2025
- [Cancer Services in Wales](#), January 2025
- [Addressing Workforce Challenges in NHS Wales](#), February 2025
- [Cardiff and Vale Region – Urgent and Emergency Care: Flow out of Hospital](#), February 2025
- [Mid and West Wales Fire and Rescue Authority – Setting of Well-being Objectives](#), February 2025

- The Biodiversity and Resilience of Ecosystems Duty, March 2025
- Setting of Well-being Objectives – Bannau Brycheiniog National Park Authority, March 2025
- Urgent and Emergency Care: Flow out of Hospital – West Glamorgan Region (awaiting publication)
- Public Health Wales NHS Trust – Setting of Well-being Objectives (awaiting publication)

Key facts and figures – sources and notes

Exhibit 9 lists sources used to inform the ‘Key facts and figures’ section of this report. Sources for information in the ‘Our findings’ section are set out as they occur.

Exhibit 9: sources for the key facts and figures on page 9 of this report

Subject	Data source
Health revenue funding	<u>The Welsh Government’s second supplementary budget for each financial year</u> . For these calculations, we have deducted the social services lines from the health and social services main expenditure group.
Local authorities’ core revenue funding	Revenue outturn data collection from local authorities, Welsh Government, on <u>StatsWales</u> . By core revenue funding we mean the total revenue support grant figure and the total share of re-distributed non-domestic rates figure.
Health bodies’ annual revenue deficit	Health bodies’ annual accounts, data summarised in our <u>NHS finances data tool</u> .
Culture and sport funding	<u>Senedd Committee report: A decade of cuts: Impact of funding reductions for culture and sport</u> .
NHS secondary care services spending	Programme budgeting submission from NHS Wales Executive based on returns from Local Health Boards, on <u>StatsWales</u> .
Cancer services spending	Programme budgeting submission from NHS Wales Executive based on returns from Local Health Boards, on <u>StatsWales</u> . The Welsh Government confirmed that this data is based on NHS Wales patient activity costs including staff, consumables, medicines, and overhead costs such as estates, catering, HR and finance costs.

Subject	Data source
Diabetes care services spending	Programme budgeting submission from NHS Wales Executive based on returns from Local Health Boards, on StatsWales .
Mental health problems spending	Programme budgeting submission from NHS Wales Executive based on returns from Local Health Boards, on StatsWales .
Special Educational Needs (SEN) / Additional Learning Needs (ALN)	Welsh Government statistical releases analysing budgeted expenditure data supplied by local authorities. SEN / ALN refers to children who have learning difficulties or disabilities that make it harder for them to learn or access education than most children of the same age.
Home to school transport services spending	Welsh Government, collected via annual returns from local authorities, on StatsWales .
Children looked after spending	Welsh Government, collected via annual returns from local authorities, on StatsWales .
Children looked after numbers	Looked After Children Census, Children looked after data collection, Welsh Government, on StatsWales .
Risk of species loss	State of Nature Wales 2023 report , figure based on a list of 663 species from 3,897 assessed.
Homeless individuals in temporary accommodation	Homelessness data collection, Welsh Government, on StatsWales . For the August 2020 figure, a small number of local authorities did not provide full data, therefore 3,577 is an undercount. See the StatsWales link for more details.

2 Language and concepts used in this report

The **Well-being Duty** requires public bodies to carry out sustainable development. As part of this, they must set well-being objectives and take all reasonable steps to meet them.

Sustainable development is ‘the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the well-being goals.’

Well-being goals

- More equal
- Healthier
- Resilient
- Prosperous
- Globally responsible
- Vibrant culture and thriving Welsh language
- Cohesive communities

The **sustainable development principle** is defined as acting in a manner ‘which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.’

To do this, they must take account of the ‘**five ways of working**’.



Long-term



Prevention



Integration



Collaboration



Involvement

The **Auditor General** must examine public bodies and assess the extent to which they have acted in accordance with the sustainable development principle when a) setting well-being objectives, and b) taking steps to meet those objectives.

The **Future Generations Commissioner** must promote the sustainable development principle. This includes monitoring and assessing the extent to which public bodies are meeting their well-being objectives.



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Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.

Quality Governance Follow up Review – Aneurin Bevan University Health Board

Audit year: 2023-24

Date issued: April 2025

Document reference: 4693A2025

This document has been prepared for the internal use of the Aneurin Bevan University Health Board as part of work performed in accordance with statutory functions.

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Mae'r ddogfen hon hefyd ar gael yn Gymraeg. This document is also available in Welsh.

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Summary report

Introduction

- 1 Quality should be at the 'heart' of all aspects of healthcare and 'putting quality and safety' above all else is one of the core values underpinning the NHS in Wales. Poor quality care can be costly in terms of harm, waste, and variation.
- 2 During 2021-22, the Auditor General reviewed quality governance arrangements across all Health Boards and Health Boards in Wales. That work focused on:
 - operational and corporate approaches to quality governance.
 - organisational culture and behaviours;
 - strategy, structures, and processes; and
 - information flows and reporting.
- 3 Our 2022 review of quality governance at the Aneurin Bevan University Health Board (the Health Board) found that the Health Board had clearly articulated the corporate arrangements for quality governance and its key areas of focus for quality and safety. However, at the time of reporting there remained weaknesses at a divisional and directorate level which could impact the flow of assurance from floor to Board. We made eight recommendations that covered 16 specific recommended areas for improvement. These focussed on risk management, clinical audit, values and behaviours, patient experience, putting things right, quality governance resources, and divisional quality and safety arrangements.
- 4 In June 2020, the Health and Social Care (Quality and Engagement) (Wales) Act 2020 (the Act) became law. The Act has strengthened the duty to secure system-wide quality improvements, as well as placing a duty of candour on NHS bodies, requiring them to be open and honest when things go wrong to enable learning. The Act indicates that quality includes, but is not limited to, the effectiveness and safety of health services and the experience of service users. Since undertaking our 2022 review, the specific requirements underpinning the Duties for Candour and Quality (introduced under the Act) have been agreed, and all health bodies should have made good progress to implement arrangements to meet those requirements.
- 5 This quality governance follow-up review assesses the Health Board's progress in implementing the 2022 audit recommendations. It also considers whether the Board is receiving necessary assurance that the Health Board is taking appropriate steps to respond to the requirements of the Act.
- 6 The methods we used to deliver our work are summarised in **Appendix 1**.

Key findings

- 7 Overall, we found that the Health Board is making progress implementing our 2022 quality governance recommendations but needs to fully embed the changes. The Health Board is taking reasonable steps to implement arrangements to deliver implementing the duties of quality and candour but needs to improve training compliance and monitoring.

Implementation of previous audit recommendations

- 8 While the Health Board **has made progress in implementing previous audit recommendations, but only five of the 16 recommendations are fully complete.**
- 9 Our review of progress against our 2022 quality governance review recommendations found that five of the sixteen recommendations have been fully completed, nine are in progress and are progressing well and two have not been implemented:
- **Recommendations completed** – The Health Board has fully implemented five recommendations. The Health Board has updated the clinical audit strategy, policy and plan and strengthened committee oversight. There have been improvements to arrangements to support learning from clinical audit. It has also ensured that patient feedback features more prominently at divisional quality and safety meetings. The Health Board has strengthened wider quality focussed resources and has reviewed the operational patient safety and quality groups to ensure they are effectively supporting the Health Boards quality governance arrangements.
 - **Recommendations in progress** - Good progress is being made against nine recommendations but they remain 'in progress'. The Health Board is embedding the Quality and Governance Framework, improving learning from patient experience of using commissioned services, and strengthening quality reporting across the organisation. However, many of these arrangements are new and need to be embedded before the benefits and necessary assurance are fully realised. The Quality Governance and Assurance Framework also needs to be updated to provide clear and appropriate 'floor/ward to Board' assurance arrangements.
 - **Recommendations not started** - We found no action on two of our previous recommendations. These related to the Health Board taking action to understand why some staff feel they are not treated fairly when reporting errors, and appropriate action is not taken to address concerns raised. However, we did note that the Health Board has introduced a range of arrangements to support staff to raise concerns.

Responding to the requirements of the Duty of Candour and Duty of Quality

- 10 We found that the Health Board is taking reasonable steps to implement arrangements to deliver the duties of quality and candour, however, there is scope to improve training compliance and monitoring.
- 11 The Health Board assessed its readiness against the Welsh Government baseline and developed an implementation programme well in advance of the Act’s April 2023 implementation date indicating a positive commitment to fulfilling these duties. It engaged a range of key stakeholders to ensure readiness, briefed key staff and board members and routinely reports progress on implementation to the Patient Quality, Safety and Outcomes committee. The Health Board developed and published its quality priorities for 2024-25 in its first annual quality report. These priorities continue to align to and support delivery of its duty of candour and duty of quality requirements and is supported by clear workstreams to deliver them.
- 12 Staff are supported via e-learning modules to help understand and respond to the new duties. However, there remain challenges. While training is in place, the Health Board does not monitor training compliance. This creates a risk that there is insufficient staff understanding of requirements under the Act.
- 13 Addressing the recommendations made in our 2022 Quality Governance report and the new recommendations in this report play an important role in ensuring that arrangements to deliver the duties of quality and candour are fully embedded.

Recommendations

- 14 The status of our 2022 audit recommendations is summarised in Exhibit 1.

Exhibit 1: status of our 2022 recommendations

Completed	In progress	Not Started	Superseded	Total
5	9	2	0	16

- 15 Exhibit 2 details the new recommendations arising from this review. The Health Board’s response to our recommendations will be summarised in Appendix 2 once complete.

Exhibit 2: New recommendations (2025)

Recommendations	
R1	The Health Board should take steps to improve its arrangements for staff to raise concerns by: 1.1 updating the procedure for NHS staff to raise concerns so that it is tailored to the Health Board and includes organisation-specific information and contacts. (Paragraph 32) 1.2 monitoring the impact of external support services and accreditation initiatives to ensure that these actions, meet staff needs and are translating into meaningful improvements in staff engagement and patient safety outcomes. (Paragraph 35)
R2	The Health Board should approve an addendum or update to the current 'Putting Things Right' Policy to reflect the current organisational structure and duty of quality and duty of candour requirements. (Paragraph 43)
R3	Within the next 12 months, the Health Board should evaluate the impact of centralising its Quality and Patient Safety teams to ensure the intended benefits are being achieved. (Paragraph 50)
R4	The Health Board should strengthen its arrangements for duty of quality and duty of candour e-learning training. This should include: 4.1 taking steps to increase uptake rates for Duty of Quality and Duty of Candour e-learning, to ensure staff have a good understanding of their responsibilities under the requirements. (Paragraph 58) 4.2 monitoring and reporting on completion rates for the Duty of Quality and Duty of Candour e-learning. (Paragraph 58)

Detailed report

Progress made with implementing our 2022 audit recommendations

- 16 We considered the Health Board progress in implementing each of our 2022 audit recommendations. We found that **the Health Board has made progress in implementing previous audit recommendations, but only five are fully complete.**

Risk management recommendations

2022 Recommendation 1

Divisional risks are presented to Quality and Patient Safety Operational Group, but there was limited evidence of in-depth analysis and discussion. There is also limited evidence that the General Surgery directorate maintains risk registers that adequately identify quality and safety risks and mitigating actions. The Health Board should:

- 1.1 ensure there is appropriate scrutiny, challenge, cross divisional discussion and sharing of good practice around divisional risks at the Quality and Patient Safety Operational Group.
- 1.2 ensure that risk registers are completed and maintained across all directorates that identify quality and safety risks and mitigating actions and there are appropriate risk escalation arrangements.

- 17 We considered whether the Health Board had effective arrangements for managing quality and safety risks. We expected to see the following:
- appropriate scrutiny, challenge, cross divisional discussion and sharing of good practice around divisional risks at the Quality and Patient Safety Operational Group.
 - risk registers are completed and maintained across all directorates which identify quality and safety risks and mitigating actions and there are appropriate risk escalation arrangements.
- 18 We found that **our sample review of directorate risk registers found that that there were omissions in risk information and that some risks may not be reviewed regularly. The Health Board has made changes to arrangements to review operational risks across the organisation, but sharing of risk knowledge and learning across the organisation is not yet routine**
- 19 The Health Board's Quality and Patient Safety Operational Group was stood down in August 2023. It was replaced with the Patient, Quality and Safety and Learning and Improvement Forum (the Forum). The Forum held its first meeting in March

2024, and has met bi-monthly since. The Forum has good representation from across the directorates and divisions, and meetings generally give good focus on learning, improvement, and patient safety.

- 20 The terms of reference for the Forum are well-written, comprehensive and clearly sets out the requirement to identify risks and to share knowledge and associated learning across all divisions. However, our audit found that sharing of risk knowledge and learning is not embedded in Forum meetings. Up until the time of our review, the Forum had not yet received any divisional risk registers. **We consider recommendation 1.1 to be in progress.**
- 21 Each division has a new separate Patient Quality and Safety Outcome Committee. Divisional risks are discussed and escalated as appropriate at committee meetings. There are standardised agendas for divisional committee meetings, and risks are reviewed using live data in DATIX¹. However, we reviewed the General Surgery divisional risk register and identified issues including the absence of mitigating actions and noted that some risks appeared not to have been reviewed for some time. The Health Board needs to ensure that gaps in the general surgery risk register are addressed and ensure that all risks contained in it are regularly reviewed and updated as appropriate. The Health Board should ensure that all divisions maintain up-to-date and comprehensive risk registers and that they consistently use risk escalation procedures, and if necessary, address any gaps. Additionally, the DATIX modules for risk, incidents and clinical audit systems are not integrated which means triangulation of data to identify themes is not automated. Instead, themes and issues are triangulated manually which is inefficient and could result in issues being missed. **We consider recommendation 1.2 to be in progress.**

Clinical Audit recommendations

2022 Recommendation 2

During our review, the Health Board was updating its clinical audit strategy and policy and developing a standalone clinical audit plan. The Health Board's Clinical Effectiveness and Standards group terms of reference were in draft and contained out-of-date information. At an operational level, clinical audit capacity is limited and systems to share learning and good practice are not embedded or systematic. The Health Board should:

- 2.1 complete the work on its clinical audit strategy, policy, and plan. The plan should cover mandated national audits, corporate-wide and local audits informed by areas of risk. This plan should be approved by the Patient

¹ Datix is an online system for staff to report information relating to incidents and risks.

Quality, Safety and Outcomes Committee and progress of its delivery monitored routinely.

2.2 update and finalise the terms of reference for the Clinical Effectiveness and Standards Committee.

2.3 ensure there is sufficient resource and capacity for clinical audit at an operational level.

2.4 ensure systems for learning and good practice from clinical audit are embedded across the organisation.

- 22 We considered whether the Health Board had effective arrangements for clinical audit. We expected to see the following:
- the Health Board has developed a clinical audit strategy, policy and plan which covers mandated national audits, corporate-wide and local audits informed by areas of risk.
 - the Clinical Audit Plan has been approved by the Patient Quality, Safety and Outcomes Committee, which routinely monitors progress of its delivery.
 - the Health Board has updated and finalised the terms of reference for the Clinical Effectiveness and Standards Committee.
 - the Health Board has completed its review of resources and capacity, and addressed any gaps, to support clinical audit at an operational level
 - the Health Board is embedding systems for learning and good practice from clinical audit across the organisation.
- 23 We found **that the Health Board has made good progress in its development of Clinical Audit plans and committee oversight of them. However, resources for delivery continue to be an issue for the Health Board.**
- 24 The Board approved the Clinical Audit Strategy 2022-25 in October 2022. The plan sets out four priorities:
1. There is scrutiny of national clinical audit performance with robust development and monitoring of improvement plans
 2. Divisions will identify clinical audits that allow scrutiny and assurance associated with quality and safety risk
 3. Trainees are supported to participate in meaningful clinical audits that support clinical governance
 4. Groups and committees across the Health Board will commission clinical audit to support effective assurance as required.
- 25 Our work found that the Clinical Audit Strategy is well-embedded and there is routine reporting of progress against the priorities in the strategy. To support the delivery of the strategy, the Audit, Risk and Assurance Committee approved the 2024-25 Clinical Audit Plan in May 2024. The 2024-25 Clinical Audit Plan sets out an appropriate programme of clinical audits including nationally mandated audits

and divisional audits. The plan also contains an appropriate range of risk-based divisional specific clinical audits. The Health Board ensures that it triangulates learning from clinical audit with other intelligence including complaints, incidents, and patient experience. The Patient, Quality and Safety and Learning and Improvement Forum is used to share learning, and reports are also presented to the Patient Quality, Safety and Outcomes Committee.

- 26 There is good committee oversight of both the delivery and outcomes of the clinical audit plan. Both the Patient Quality, Safety, and Outcomes Committee and the Audit and Risk Committee receive regular updates on the plan. However, update reports could be strengthened by more clearly identifying completion rates to determine progress of plan delivery. At an operational level, the Clinical Audit Plan is tracked and monitored via the AMaT system², ensuring audits are completed and signed off at both divisional and Health Board levels. **We consider recommendation 2.1 to be completed.**
- 27 The Health Board has updated its Clinical Effectiveness and Standards Group terms of reference. At the time of our work, the terms of reference were draft and not yet approved. The Health Board has reviewed and amended the membership of the group to ensure it reflects the Health Board's strategic priorities. **We consider recommendation 2.2 to be in progress.**
- 28 At the time of our work, the Health Board was reviewing its operational resources and capacity to support clinical audit. The February 2025 Audit, Risk and Assurance Committee clinical audit plan update highlighted continuing concern regarding local operational resources to deliver clinical audit. However, the Health Board is undertaking a resource mapping exercise with a view to identifying additional capacity. **We consider recommendation 2.3 to be in progress.**
- 29 The Health Board has improved how it shares and applies learning from clinical audit. Following the completion of an audit, improvement actions are incorporated into SMART³ action plans, which are agreed with leadership teams and approved by the Clinical Effectiveness and Standards Group. National clinical audit results are discussed at the Patient, Safety Quality and Outcomes meetings. Additionally, since March 2024, the Health Board holds bimonthly divisional learning forums focussing on learning from clinical audit. **We consider recommendation 2.4 to be completed.**

² AMaT – Audit Management and Tracking tool is a cloud-based clinical audit management tool

³ Specific, measurable, achievable, realistic and timely

Values and behaviours recommendations

2022 Recommendation 3

The Health Board has a well-established values and behaviours framework which sets out its vision for a quality and patient safety focussed culture. However, there is a mixed picture in relation to the culture around reporting errors, near misses or incidents and raising concerns and the action taken by the Health Board to address them. The Health Board should undertake work to understand why some staff feel:

- 3.1 they are not treated fairly or given feedback when reporting errors, near misses or incidents.
- 3.2 that the Health Board does not act on concerns they raise or take action to minimise future of occurrence errors, near misses or incidents.

- 30 We considered whether the Health Board had effective arrangements for values and behaviours. We expected to see the following:
- the Health Board has effective arrangements to ensure that staff are treated fairly and given feedback when reporting errors, near misses or incidents.
 - the Health Board has effective arrangements to promptly act on staff concerns and take action to minimise future occurrence of errors, near misses and incidents.
- 31 We found that, **the Health Board has a good and broad range of initiatives to create a safe environment where staff can disclose concerns. However, it did not underpin the initiatives with an understanding of why staff feel reluctant to raise concerns and think that appropriate action will not be undertaken. The Health Board has not evaluated its initiatives to see if they are having the desired impact.**
- 32 The Health Board's 2022-25 People Plan focuses on "Putting People First" which is underpinned by its well-established values and behaviours framework. The Health Board has a good procedure for NHS staff to raise concerns. However, its Speaking Up Safely procedure, which is based on the All-Wales model, has not been tailored to the Health Board and contains no specific references to the individuals that staff would need to contact (**2025 Recommendation 1.1**). Other health boards in Wales have adapted the procedure to reflect their internal arrangements and contacts.
- 33 The Health Board has introduced a range of initiatives which aim to improve the culture around reporting errors, near misses, incidents, and raising concerns. These include:
- **Just culture** - the Health Board has established the People and Culture Committee to oversee initiatives related to staff well-being, culture, and values.

The committee plays a crucial role by ensuring that policies and practices promote psychological safety, openness, the organisation's desired culture and values, and a learning-focused environment.

- **Listening and learning framework** - designed to create a safe environment where staff can disclose mistakes, enabling lessons to be learned and preventing recurring errors. This initiative aligns with the Health Board's vision of a learning-focused culture.
- **Human factors development programme** - over the past 12 months, the Health Board has rolled out the programme which focuses on developing a culture of openness and improving patient safety through staff engagement.
- **Ward and team accreditation** - with the aim of improving understanding of quality and safety data from ward audit and encouraging ownership and learning within teams.
- **External support services** - in March 2024, the Health Board transitioned from an internal system for raising concerns to commissioning externally provided services (Speaking Up Service and Employee Assistance Programme) with the aim of encouraging staff to raise concerns,
- **Email** – a dedicated internal email address for raising concerns.
- **Wellbeing services** – to support staff in all aspects of their role.

- 34 These Health Board initiatives point to a strong commitment for ensuring that staff feel supported, empowered, and psychologically safe to speak up about patient safety issues. Despite this, we have not found sufficient evidence of an effective response to our recommendations. The Health Board has not sufficiently engaged with staff and does not have adequate information to understand why staff felt;
- they are not treated fairly when reporting errors, near misses or incidents; or
 - that the Health Board did not act on concerns.

Therefore, there is limited assurance that the initiatives are appropriately designed to address staff apprehension.

- 35 Some of these arrangements, such as the ward accreditation programme and external support services are new. Therefore, the Health Board should undertake work to determine whether they are having the desired impact and ensure that the arrangements meet staff needs. **(2025 Recommendation 1.2)**

We consider recommendations 3.1 and 3.2 not started.

Patient experience recommendations

2022 Recommendation 4

Whilst the Health Board uses a range of methods to capture patient experience information, regular patient feedback updates are not always

provided to work areas or departments and arrangements are not systematic across the organisation or the services it commissions. The Health Board should:

- 4.1 undertake work to understand why patient feedback updates are not regularly provided to work areas or departments.
- 4.2 ensure there are systematic arrangements for collating and acting upon patient experience information across the organisation and the services it commissions.

- 36 We considered whether the Health Board had effective patient experience feedback approaches. We expected to see the following:
- the Health Board has effective arrangements to regularly provide patient feedback updates to work areas and departments.
 - the Health Board has effective arrangements for collating and acting upon patient experience information across the organisation and the services it commissions.
- 37 We found **that the Health Board is strengthening its approach for collecting, analysing, reporting and sharing patient experience. The Health Board now needs to complete its work to capture and report the patient experience of the services that it commissions.**
- 38 In March 2023, the Board approved the Patient Experience and Involvement Strategy to improve services, clinical effectiveness, patient safety, and user experience. The Strategy identifies a range of methods for obtaining patient feedback. These include the introduction of the new Patient Advice and Liaison Service (November 2023), the ongoing roll out of the CIVICA citizen experience platform (since February 2023), the continuation of the 'you said, we did' approach and the 'person-centred' care survey.
- 39 Collectively, the arrangements to obtain patient feedback ensure that a range of views is collected and analysed. Although we understand that public engagement is low compared to other health boards. The Patient Quality Safety and Outcomes Committee receives a patient feedback report every two months which identifies themes and trends, lessons learnt, and improvement actions taken in response. Patient feedback now also forms part of the agenda for the Patient Quality and Safety and Learning Forum and is now a standard agenda item on divisional quality and patient safety meetings. **We consider recommendation 4.1 completed.**
- 40 The Health Board recognises the importance of obtaining feedback from patients who are treated in commissioned services. The July 2024 Patient Quality Safety and Outcomes Committee received the Health Boards' Quality Assurance Framework: Commissioned Services. One of the key areas of focus elements of this framework is to use patient experience information to inform commissioning

decisions. The Health Board is currently using Datix to record any patient experience concerns relating to commissioned services. Work is underway to develop a central register of the commissioned services across the Health Board. Once completed, this register will be used to ensure patient feedback is routinely obtained from the entirety of services the Health Board commissions for its residents. **We consider recommendation 4.2 to be in progress.**

Putting things right recommendation

2022 Recommendation 5

The Health Board's Putting Things Right Policy was due to be reviewed in 2018 and contains out of date information. The Health Board should review and update the Putting Things Right Policy as a priority.

- 41 We looked for any updates to the Health Board's putting it right policy and expected to see that the Health Board reviewed and updated its Putting Things Right policy.
- 42 We found that **the Health Board has still not reviewed its Putting Things Right Policy, which was due for review in 2018.**
- 43 The Health Board's Putting Things Right Policy remains out of date and has not been reviewed since 2018. **We consider recommendation 5 to be in progress.** Whilst the all-Wales policy remains under review by the Welsh Government, other health boards in Wales have updated their policies to ensure they remain current. While the Health Board is awaiting new guidance from Welsh Government, it should update its policy in the interim to reflect the current organisational structure, expected standards, and Duty of Quality and Duty of Candour requirements. **(2025 Recommendation 2)**

Quality and Safety framework recommendations

2022 Recommendation 6

The Health Board's Quality Assurance Framework includes a range of committees and groups aligned to Health and Care Standards. The framework is assisting the Health Board in identifying areas which previously had not provided assurance. However, there are still gaps in the flows of assurance from some sub-groups and in relation to elements of the Health and Care Standards. Whilst the framework is comprehensive at

a corporate level, it does not fully articulate the operational structure and processes for quality and safety. The Health Board should:

- 6.1 complete its review of the quality and safety framework to ensure that flows of assurance are appropriate, and that the framework functions as intended.
- 6.2 articulate the operational structures and processes for quality and safety within the quality assurance framework and how they align with the corporate structure to provide 'floor to board' assurance.

- 44 We considered whether the Health Board had effective quality assurance framework. We expected to see the following:
- the Health Board has completed its review of the quality assurance framework to ensure that flows of assurance are appropriate, and that it functions as intended.
 - the Health Board's quality assurance framework clearly articulates operational structures and processes for quality and safety and how they align with the corporate structure to provide 'floor to board' assurance.
- 45 We found that **the Health Board is making progress implementing its Quality Governance and Assurance Framework, however it needs to ensure it sets out clear and appropriate 'floor/ward to Board' assurance arrangements.**
- 46 The Health Board approved its Quality Governance and Assurance Framework in July 2023. Progress on its implementation includes:
- centralisation of the quality and patient safety resource, which we discuss more in **paragraph 50**;
 - new systems for accreditation and performance monitoring, including ward-level data visibility and team accreditation, to support a patient facing approach to learning and improvement;
 - reviewing quality and safety structures of groups and committees to determine if they are effectively discharging their responsibilities;
 - developing standardised Quality and Patient safety group agendas to ensure consistency in approach across the organisation, and
 - appointing a clinical governance lead within each of the divisions to improve clinical engagement with the quality and patient safety team.
- 47 The Health Board is also introducing a new Clinical Governance Assurance and Escalation Framework. Its aim will be to ensure that the Board is clearly sighted on quality issues and assurances across the full range of services. There is a clear implementation plan supporting these changes. We have reviewed progress to date, and although the new framework defines Board and committee quality assurance arrangements, it does not sufficiently describe how directorate and divisional assurances will operate and flow from 'floor to board'. The Health Board

is continuing to refine the framework. It plans to present an updated version to the Patient Safety, Quality and Outcomes committee in summer of 2025. **We consider recommendations 6.1 and 6.2 to be in progress.**

Resources to support quality governance recommendation

2022 Recommendation 7

The Scheduled Care division and General Surgery directorate have designated leads for many keys aspects of quality and safety. However, we found that some designated leads do not have protected time for these roles. The Health Board should ensure operational staff have sufficient time and capacity to effectively fulfil these roles.

- 48 We considered whether the Health Board had effective Quality and Safety framework. We expected to see that the Health Board ensures that operational staff have sufficient time and capacity to fulfil designated quality and safety lead roles.
- 49 We found **the Health Board has introduced new arrangements to strengthen its quality and safety capacity, improve the consistency of approach and train more staff in quality improvement and assurance.**
- 50 The Health Board has taken action to improve quality and safety capacity. In February 2024, it centralised the Quality and Patient Safety Leads⁴ into the corporate Quality and Patient Safety Team. It also appointed a new Head of Quality and Safety and developed a new ‘business partnering’ model. Its new quality and safety partners are allocated to the divisions, but accountable to the Corporate Quality and Patient Safety Team. This is ensuring consistency of approach but also providing a more balanced and equitable allocation of quality and safety resources. The Health Board will need to regularly monitor and evaluate the effectiveness of these changes. This will help ensure that the expected benefits are being realised. **(2025 Recommendation 3)**
- 51 The Health Board has also strengthened wider quality and safety resources. The Scheduled Care division was split into two divisions, general surgery and clinical support services, with more resources provided for quality governance. The Health Board is also investing in additional training through its Quality Initiative plans and developing quality coaches. This investment in staff development is positive and should enhance their understanding of quality governance and ensure its long-term sustainability. **We consider recommendation 7 to be complete.**

⁴ At the time of writing this was 43 members of staff.

Divisional coverage of quality and safety matters recommendations

Recommendation 8

The General Surgery directorate has recently established its own Patient Safety and Quality Group. However, the group does not have a Terms of Reference, standardised agenda, or report templates and minutes of meetings are not taken. Whilst quality and safety did feature in bi-annual reviews with the Executive Team and monthly assurance meetings with the Director of Operations we note the monthly assurance meetings stopped in March 2021. We found limited focus on quality and safety at Scheduled Care Divisional Management Team meetings. The Health Board should:

- 8.1 review the operational patient safety and quality groups to ensure they are effectively supporting the Health Boards quality governance arrangements.
- 8.2 ensure that other operational meetings / forums provide sufficient focus on quality and safety alongside finance, performance, and operational matters.

- 52 We considered whether the Health Board's divisional groups appropriately cover quality and safety matters. We expected to see the following:
- the Health Board has reviewed operational patient safety and quality groups to ensure they are effectively supporting its quality governance arrangements.
 - operational meetings / forums provide sufficient focus on quality and safety alongside finance, performance, and operational matters.
- 53 We found that **the Health Board is making good progress through its new Quality and Governance framework to ensure a consistent and appropriate focus on Quality and Patient safety, more work is needed to ensure this is embedded and covers all areas.**
- 54 As discussed in **paragraph 50**, the Health Board has reviewed its quality and safety structures, and it has also introduced standardised quality and patient safety agendas to ensure consistency in approach. We reviewed a sample of divisional management team and Quality and Safety meeting agenda and papers in the former General Surgery directorate. We also reviewed the mid-year and end of year reports which summarised the activities through the year. We found that quality and safety now feature regularly in weekly Divisional Management Team meetings, with a standing agenda item on patient safety and quality, alongside the finance, performance, and operational matters. Both groups are operating well within the former General Surgery directorate. The Health Board is continuing to implement this approach across all division and service areas. On the basis that this is work that is currently taking place, **we consider recommendation 8.1 to be complete and recommendation 8.2 to be in progress.**

Responding to the requirements of the Duty of Candour and Duty of Quality

- 55 We considered the extent to which the Health Board has taken steps to implement arrangements to deliver both the Duty of Quality and Duty of Candour. We expected to see the following:
- the Health Board has considered what it needs to do to implement the duties of Quality and Candour, with plans in place to address any gaps.
 - the Health Board has clear arrangements in place for monitoring implementation which reflects the timescales and risks associated with delivering the plan.
 - progress in implementing the duties of quality and candour is routinely reported to the Board and its committees.
 - board members are appropriately briefed on the requirements and plans and have received appropriate training in relation to the duties of quality and candour.
 - staff training has been delivered to raise awareness of the requirements under the two duties. The Health Board has identified appropriate strategic, senior, and operational leadership to oversee and deliver the duties. All staff understand their respective responsibilities.
- 56 We found that the Health Board **is taking reasonable steps to implement arrangements to deliver the duties of quality and candour, however, there is scope to improve training compliance and monitoring.**
- 57 The Health and Social Care (Quality and Engagement) Act 2020 came into force on 1 April 2023. In advance of its introduction, the Health Board assessed its preparedness for complying with the Act against the Welsh Government baseline position. The Health Board engaged its stakeholders effectively, conducting workshops and sessions with healthcare partners, patients, and staff to ensure readiness for the implementation of the new the duty of quality and duty of candour requirements. To supplement its implementation, the Health Board also created dedicated training resources and intranet content for staff. It also created videos for the public to help raise awareness more widely. The Health Board developed an implementation programme prior to the Act coming into force in April 2023 with progress delivery is reported bi-monthly to the Patient Quality, Safety and Outcomes committee.
- 58 The Health Board developed and approved its Quality Strategy and briefed Board members in November 2022 prior to the launch of the strategy in April 2023. In May 2024, the Health Board reported progress against its 2023-24 Quality Strategy objectives and set out its quality priorities for 2024-25 in its first annual quality report. The Quality Strategy is aligned to duty of candour and duty of quality requirements and is supported by clear workstreams and SMART objectives. We also found:

- appropriate strategic and senior leadership arrangements for implementing of the duties of quality and candour, led by the Executive Director of Nursing, and supported by her senior leadership team.
- reasonable methods for staff training including the rollout of e-learning modules on the duties of quality and candour. The Health Board also set up clear and accessible intranet pages setting out related arrangements, responsibilities and requirements. However, the Health Board needs to improve uptake of this training and more effectively record and monitor completion rates **(2025 Recommendation 4.1 and 4.2)**.
- the Patient Safety, Quality and Outcomes Committee is actively and appropriately monitoring delivery of quality strategy, the implementation plan and wider quality and safety assurances.

59 Addressing the recommendations made in our 2022 Quality Governance report and the new recommendations in this report play an important role in ensuring that arrangements to deliver the duties of quality and candour are fully embedded.

Appendix 1

Audit methods

Exhibit 4 sets out the methods we used to deliver this work. Our evidence is limited to the information drawn from the methods below.

Element of audit approach	Description
Documents	We reviewed a range of documents, including: • Quality Strategy Framework • Quality Governance Framework • Internal Audit reports • Patient Experience and Involvement \Strategy • Policies and Procedures • Risk Management • Listening, Learning and Improvement Framework • Quality Performance Reports • Audit Plan • Clinical Audit Activity Reports • Committee Reports for Audit Risk and Assurance • Commissioning Assurance Framework • Putting Things Right Annual report. • Annual Quality Report.

Element of audit approach	Description
Interviews	We interviewed the following: • Executive Director of Nursing. • Executive Medical Director. • Director of Corporate Governance. • Senior Quality Governance Lead. • Assistant Director of Quality and Patient Safety. • Head of Corporate Risk and Assurance • Deputy Director of Nursing • Executive Director of Therapies and Health Sciences • Chair of the Patient Quality Safety and Outcomes Committee
Observations	We observed the Patient Safety, Quality and Outcomes Committee

Appendix 2

Organisational response to new audit recommendations

Exhibit 5 sets out the Health Board's response to our new audit recommendations.

Ref	Recommendations	Organisational response	Completion date	Responsible officer
R1	The Health Board should take steps to improve its arrangements for staff to raise concerns by: 1.1 updating the procedure for NHS staff to raise concerns so that it is tailored to the Health Board and includes organisation-specific information and contacts.	The NHS Wales Raising Concerns Procedure is a national procedure applicable to all NHS Wales organisations and includes how to raise concerns dependent on the nature (e.g., to line manager, Executive Director). We also have a dedicated SharePoint page accessible to all staff which includes specific information and contact details for staff to raise concerns, including named individuals and champions: Speaking Up Safely. We will strengthen our approach to the Procedure for NHS Staff to Raise Concerns by ensuring it reflects our local context and organisational structure. The procedural document and its supporting appendices will be updated to include the Health Board's name where applicable, identify key individuals within the organisation, and align all appendices with the structure of the Health Board.	June 2025	Director of Workforce & Organisational Development Implemented by: Assistant Director of Workforce & Organisational Development

Ref	Recommendations	Organisational response	Completion date	Responsible officer
	1.2 monitoring the impact of external support services and accreditation initiatives to ensure that these actions, meet staff needs and are translating into meaningful improvements in staff engagement and patient safety outcomes.	The update will be taken through the next scheduled meeting of the Workforce and Organisational Development Policy Group for ratification. The Health Board will assess the impact of ward / team accreditation through a post implementation evaluation process, this will help determine whether the initiative is improving staff engagement, patient safety outcomes and will help determine areas for improvement.	September 2025	Director of Nursing Implemented by: Deputy Director of Nursing
R2	The Health Board should approve an addendum or update to the current 'Putting Things Right' Policy to reflect the current organisational structure and duty of quality and duty of candour requirements.	The extant 'Putting Things Right' Policy has been updated to reflect the current organisational structure and duty of quality and duty of candour requirements.	Completed	Director of Nursing Implemented by: Deputy Director of Nursing

Ref	Recommendations	Organisational response	Completion date	Responsible officer
R3	Within the next 12 months, the Health Board should evaluate the impact of centralising its Quality and Patient Safety teams to ensure the intended benefits are being achieved. (Paragraph 50)	The Head of Quality & Patient Safety will undertake a comprehensive review of the centralisation process. This review will include an assessment of the effectiveness of the centralised structure in improving patient safety outcomes, staff engagement, operational efficiency and compliance. This review will involve collecting feedback from staff, analysing performance metrics, and identifying any areas for improvement.	April 2026	Director of Nursing Implemented by: Head of Quality Patient Safety & Deputy Director of Nursing
R4	The Health Board should strengthen its arrangements for duty of quality and duty of candour e-learning training. This should include: 4.1 taking steps to increase uptake rates for Duty of Quality and Duty of Candour e-learning, to ensure staff have a good understanding of their responsibilities under the requirements.	The NHS Wales – Duty of Candour has been through the Core Learning Advisory Committee and formally adopted as a mandatory e-learning module for all relevant staff in the Health Board. The NHS Wales – Duty of Quality training is scheduled to be taken through the Core Learning Advisory Committee and formally adopted as a mandatory e-learning module for all relevant staff in the Health Board.	Completed June 2025	Implemented by: Assistant Director of Workforce & OD Implemented by: Assistant Director of Workforce & OD

Ref	Recommendations	Organisational response	Completion date	Responsible officer
	4.2 monitoring and reporting on completion rates for the Duty of Quality and Duty of Candour e-learning.	Monitoring of all statutory and mandatory training compliance is published on a monthly basis, including Duty of Candour. Duty of Quality will be included once approved by the Core Learning Advisory Committee.	July 2025	Implemented by: Assistant Director of Workforce & OD



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Rydym yn croesawu gohebiaeth a
galwadau ffôn yn Gymraeg a Saesneg.

Internal Audit Progress Report

Audit, Risk and Assurance Committee

May 2025

Aneurin Bevan University Health Board

NWSSP Audit and Assurance Services



Partneriaeth
Cydwasaethau
Gwasanaethau Archwilio a Sicrwydd
Shared Services
Partnership
Audit and Assurance Services



Bwrdd Iechyd Prifysgol
Aneurin Bevan
University Health Board



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1. Introduction

The purpose of this report is to:

- confirm the status of the audit work for the 2024/25 Internal Audit Plan for Aneurin Bevan University Health Board (the 'Health Board') to the May 2025 Audit, Risk and Assurance Committee (the 'Committee');
- approve the updated draft 2025/26 Internal Audit Plan;
- note the draft Head of Internal Opinion for 2024/25; and
- provide an overview of other activity undertaken since the previous meeting.

2. Progress against 2024/25 Internal Audit Plan

There were 31 individual reviews in the 2024/25 Internal Audit Plan, including assurance work completed by our Specialist Services Unit (SSU) over major capital projects and one audit brought forward.

The table below details progress against the 2024/25 Internal Audit Plan.

Number of audits in plan:	31
Plus audit addition	1
Less deferral	(3)
Revised total	29
Number of audits at final report stage	16
Number of audits at draft report stage	4
Number of audits work in progress	8
Number of audits at planning stage – NHH SRC	1

The following final reports have been issued since the meeting of the Audit, Risk and Assurance Committee on 22nd April 2025:

AUDIT ASSIGNMENT	ASSURANCE RATING
Health Board Managed Practices	Reasonable

The delivery status of the audits is illustrated within Appendix A and further information over the assurance rating detailed above is included within Appendix B.

3. Summary of Findings

Limited assurance reports are considered by the Audit, Risk and Assurance Committee in detail. The following summary provides the Committee with the main messages from the reports issued since the last meeting on 22nd April 2025.

Health Board Managed Practices (reasonable assurance)

The review examined the letting of a group of five Health Board managed GP practices that were let to a single partnership in early 2024 (one that commenced

operation from 1 January 2024 and four from 1 April 2024) and which were subsequently returned to the Health Board management in 2025. The review was undertaken to ensure that the Health Board had an appropriate process in place to assist in implementing the return of a Managed Practice to Independent Contractor status, including the application and shortlisting processes.

Overall, we found that general compliance was observed against the Welsh Government legislative/ regulatory requirements, the Welsh Health Circular (2006) 063 (General Medical Services Practice Vacancies – A Guide to Good Practice) and the Health Board's Vacant Practice Policy within the sample tested.

However, we raised the following matters arising:

- The development of a detailed standard operating procedure to support the Vacant Practice Policy and to incorporate conclusions from this audit.
- We noted an application submission deadline that allowed a shorter interval (three / four weeks) for applications for the practice lettings rather than the six weeks recommended.
- Whilst not required at the interview panel to meet quoracy requirements, we found one or two stakeholder representatives were absent from the interview panel. Therefore, the quoracy requirements for interview panels should be reviewed to ensure sufficient and consistent stakeholder representation.

In addition, we identified further matters arising that whilst they were not due to non-compliance with the above requirements, should be implemented to help minimise future risk associated with this area. This has been reported separately but is currently at draft report stage.

4. 2025/26 Draft Internal Audit Plan

The 2025/26 Draft Internal Audit Plan (the 'Plan') was presented to the April 2025 Audit, Risk and Assurance Committee for approval. Following feedback provided by the Committee members the following amendments have been incorporated:

- Re-inclusion of Welsh Intensive Care Information System, with a focus on lessons learnt.
- Extension of the outline scope on Standing Orders Compliance to incorporate risks associated with independent members not being available.
- Extension of the outline scope on Directorate review – ENT / Ophthalmology to include capacity planning.
- Extension of the outline scope of the Six Goals Programme to include the effectiveness of the actions.
- Addition of the Director of AHP and Health Science on the Space Utilisation audit.

5. Three Year Internal Audit Plan

In addition, the Internal Audit Three Year Plan has been included to highlight other potential audits (not incorporated in this plan) that have been considered for inclusion within upcoming plans.

Whilst the internal audit plan is risk based, to ensure appropriate coverage, we identify a longlist of reviews, linked to both national audits and the Audit Universe. This working document lists those applicable audits. Furthermore, as the total number of audit areas is more than the audit days available, we incorporate different service areas throughout our fieldwork sampling.

Some highlights of audits longlisted for upcoming years include:

- Urgent care system;
- Planned delivery;
- Regional governance;
- AMaT;
- Stakeholder Engagement; and
- Training.

The current longlist is sufficient for the 2026/27 Plan but invariably will change based on emerging / current risks and national trends.

Finally, our planning process is transitioning across from a manual process to an automated approach within O365 - to automate our reporting further, streamline the planning process, but also provide a real time position on potential areas of risk and scheduled audits.

The overall aim is to provide a real time suite of management information for Committee members to access. To illustrate this a sample of additional management information has been included for the Committee that highlights key themes from across the Health Board and nationally.

6. Draft Head of Internal Audit Opinion

In accordance with the Public Sector Internal Audit Standards (PSIAS), the Head of Internal Audit (HIA) is required to provide an annual opinion, based upon and limited to the work performed on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control.

The purpose of the annual Head of Internal Audit opinion is to contribute to the assurances available to the Accountable Officer and the Board of Aneurin Bevan University Health Board which underpin the Board's own assessment of the effectiveness of the organisation's system of internal control.

The overall opinion is based primarily on the outcome of the work undertaken during the 2024/25 audit year. We also consider other information available to us such as our overall knowledge of the organisation, the findings of other assurance providers and inspectors, and the work we undertake at other NHS Wales organisations.

Based on the current audit position, this is reasonable assurance overall, but as this is still a draft opinion, this may change as the remaining audits are finalised.

7. Other Activity

The following meetings have been held/ attended during the reporting period:

- monthly meetings with the Director of Corporate Governance;
- monthly meetings with the Director of Finance, Procurement and Value;
- Audit, Risk and Assurance Committee pre-meeting with the Audit, Risk and Assurance Committee Chair;
- review and advice over financial control procedures and workforce procedures; and
- liaison with senior management.

8. Recommendation

The Audit, Risk and Assurance Committee is invited to **note** the above points within the report and **approve** the draft 2025/26 Internal Audit Plan.

Appendix A: Progress against 2024/25 Internal Audit Plan

Audits	Status
Financial Sustainability	Work in Progress
IMTP – Service Delivery Plans (merged with Intelligence Led Organisation)	Final Report
Contract Management	Draft Report
Facilities Stock	Final Report
Performance Framework	Draft Report
Embedding of Policies	Final Report
Declarations of Interest	Final Report
Divisional Governance Arrangements	Final Report
Directorate Review - Mental Health and Learning Disabilities	Final Report
Maternity Services Improvement Plan	Final Report
End of Life Care	Final Report
Health and Safety (comprising of two parts)	Part One: Complete Part Two: Work in Progress
Waiting List Management	Work in Progress
Partnership Arrangements	Deferred
Health Board Managed Practices	Final Report
Medical Equipment and Devices	Work in Progress
Records Management	Final Report
Job Planning	Draft Report
Staff Culture	Final Report
Medical E-Rostering	Draft Report
Providing Care to Asylum Seekers and Refugees	Final Report
Follow-up of High Priority Recommendations	Work in Progress
Welsh Intensive Care Information System	Deferred into 2025/26
Analytics and Information Use (Intelligence Led Organisation)	Final Report (merged)
Technical Continuity	Work in Progress
Electronic document and records management solution	Work in Progress
Capital Systems/Major Project Provisions (not separately provided)	Deferred into 2025/26
Nevill Hall RAAC	Final Report
Estates Assurance – Energy Management	Final Report
Newport East HWBC	Work in Progress
NHH Regional Satellite Centre	Planning (2025/26)
The Grange A&E Expansion	Final Report

Appendix B: Audit Assurance Ratings

We define the following levels of assurance that governance, risk management and internal control within the area under review are suitable designed and applied effectively:

	Substantial assurance	Few matters require attention and are compliance or advisory in nature. Low impact on residual risk exposure.
	Reasonable assurance	Some matters require management attention in control design or compliance. Low to moderate impact on residual risk exposure until resolved.
	Limited assurance	More significant matters require management attention. Moderate impact on residual risk exposure until resolved.
	No assurance	Action is required to address the whole control framework in this area. High impact on residual risk exposure until resolved.
	Assurance not applicable	Given to reviews and support provided to management which form part of the internal audit plan, to which the assurance definitions are not appropriate. These reviews are still relevant to the evidence base upon which the overall opinion is formed.

Draft Head of Internal Audit Opinion & Annual Report 2024/25

Aneurin Bevan University Health Board



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Report status:	Draft
Draft report issued:	XX
Final report issued:	XX
Author:	XX
Audit and Assurance Committee:	XX



1. Executive Summary

1.1 Purpose of this Report

Aneurin Bevan University Health Board’s (the Health Board) Board is accountable for maintaining a sound system of internal control that supports the achievement of the organisation’s objectives and is also responsible for putting in place arrangements for gaining assurance about the effectiveness of that overall system. A key element in that flow of assurance is the overall assurance opinion from the Head of Internal Audit.

This report sets out the Head of Internal Audit Opinion together with the summarised results of the internal audit work performed during the year. The report also includes a summary of audit performance and an assessment of conformance with the Public Sector Internal Audit Standards.

1.2 Head of Internal Audit Opinion 2024/25

The purpose of the annual Head of Internal Audit opinion is to contribute to the assurances available to the Chief Executive as Accountable Officer and the Board which underpin the Board’s own assessment of the effectiveness of the system of internal control. The approved Internal Audit plan is focused on risk and therefore the Board will need to integrate these results with other sources of assurance when making a rounded assessment of control for the purposes of the Annual Governance Statement. The overall opinion for 2024/25 is:

Reasonable assurance		The Board can take reasonable assurance that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance. Low to moderate impact on residual risk exposure until resolved.

1.3 Delivery of the Audit Plan

The plan has been delivered substantially in accordance with the agreed schedule and changes required during the year, as approved by the Audit, Risk and Assurance Committee (the ‘Committee’). In addition, regular audit progress reports have been submitted to the Committee. Although changes have been made to the plan during the year, we can confirm that we have undertaken sufficient audit work during the year to be able to give an overall opinion in line with the requirements of the Public Sector Internal Audit Standards.

The Internal Audit Plan for 2024/25 year, was presented to the Committee in April 2024. Changes to the plan have been made during the year and these changes have been reported to the Audit, Risk and Assurance Committee as part of our regular progress reporting.

There are, as in previous years, audits undertaken at NWSSP, Digital Health and Care Wales (DHCW) and the new NHS Wales Joint Commissioning Committee (JCC) that support the overall opinion for NHS Wales health bodies (see section 3).

Our latest External Quality Assessment (EQA), conducted by the Chartered Institute of Public Finance and Accountancy (CIPFA) in March 2023, reported in April 2023, stated we

‘Fully Conform’, and our own annual Quality Assurance and Improvement Programme (QAIP) confirmed that our internal audit work continues to ‘generally conform’ to the requirements of the Public Sector Internal Audit Standards for 2024/25. We can state that our service ‘conforms to the IIA’s professional standards and to PSIAS.’

1.4 Summary of Audit Assignments

This report summarises the outcomes from our work undertaken in the year. In some cases, audit work from previous years may also be included and where this is the case, details are given. This report also references assurances received through the internal audit of control systems operated by other NHS Wales organisations (again, see section 3).

The audit coverage in the plan agreed with management has been deliberately focused on key strategic and operational risk areas; the outcome of these audit reviews may therefore highlight control weaknesses that impact on the overall assurance opinion.

Overall, we can provide the following assurances to the Board that arrangements to secure governance, risk management and internal control are suitably designed and applied effectively in the substantial and reasonable areas in the table below.

Where we have given Limited Assurance, management are aware of the specific issues identified and have agreed action plans to improve control in these areas. These planned control improvements should be referenced in the Annual Governance Statement where it is appropriate to do so.

In addition, we also undertook advisory and non-opinion reviews to support our overall opinion. A summary of the audits undertaken in the year and the results are summarised in table 1 below.

Table 1 – Summary of Audits 2024/25

Substantial Assurance	• Declarations of Interest
Reasonable Assurance	• Intelligence Led Organisation • Facilities Stock • Performance Framework • Divisional Governance Arrangements • Directorate Review – Mental Health and LD • Maternity Services Improvement Plan • End of Life Care • Waiting List Management • Staff Culture • Nevill Hall RAAC • Estates Assurance – Energy Management • Newport HWBC • GUH – Emergency Department Extension • Health Board Managed Practices • Technical Continuity • Providing Care to Asylum Seekers and Refugees (2023/24)
Limited Assurance	• Embedding of Policies (Speaking up Safely) • Records Management

	• Job Planning
Unsatisfactory	N/A
Advisory/Non-Opinion	• Follow-up of High Priority Recommendations • Contract Management • Medical E-rostering
TBD	• Financial Sustainability • Health and Safety • Medical Equipment and Devices • Electronic Document and Records Management System

Please note that our overall opinion has also considered both the number and significance of any audits that have been deferred during the year (see section 5.7) and other information obtained during the year that we deem to be relevant to our work.

2. Head of Internal Audit Opinion

2.1 Roles and Responsibilities

The Board is collectively accountable for maintaining a sound system of internal control that supports the achievement of the organisation's objectives and is responsible for putting in place arrangements for gaining assurance about the effectiveness of that overall system.

The Annual Governance Statement is a statement made by the Accountable Officer, on behalf of the Board, setting out:

- how the individual responsibilities of the Accountable Officer are discharged with regard to maintaining a sound system of internal control that supports the achievement of policies, aims and objectives;
- the purpose of the system of internal control, as evidenced by a description of the risk management and review processes, including compliance with the Health & Care Quality Standards; and
- the conduct and results of the review of the effectiveness of the system of internal control including any disclosures of significant control failures, together with assurances that actions are or will be taken where appropriate to address issues arising.

The Health Board's risk management process and system of assurance should bring together all the evidence required to support the Annual Governance Statement.

In accordance with the Public Sector Internal Audit Standards (PSIAS), the Head of Internal Audit (HIA) is required to provide an annual opinion, based upon and limited to the work performed on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control. This is achieved through an audit plan that has been focussed on key strategic and operational risk areas and known improvement opportunities, agreed with executive management and approved by the Audit, Risk and Assurance Committee, which should provide an appropriate level of assurance.

The opinion does not imply that Internal Audit has reviewed all risks and assurances relating to the Health Board. The opinion is substantially derived from the conduct of risk-

based audit work formulated around a selection of key organisational systems and risks. As such, it is a key component that the Board considers but is not intended to provide a comprehensive view.

The Board, through the Audit, Risk and Assurance Committee, will need to consider the Head of Internal Audit opinion together with assurances from other sources including reports issued by other review bodies, assurances given by management and other relevant information when forming a rounded picture on governance, risk management and control for completing its Governance Statement.

2.2 Purpose of the Head of Internal Audit Opinion

The purpose of the annual Head of Internal Audit opinion is to contribute to the assurances available to the Accountable Officer and the Board of Aneurin Bevan University Health Board which underpin the Board's own assessment of the effectiveness of the organisation's system of internal control.

This opinion will in turn assist the Board in the completion of its Annual Governance Statement and may also be considered by regulators, including Healthcare Inspectorate Wales, in assessing compliance with the Health and Care Quality Standards in Wales, and by Audit Wales in the context of both their external audit and performance reviews.

The overall opinion by the Head of Internal Audit on governance, risk management and control results from the risk-based audit programme and contributes to the picture of assurance available to the Board in reviewing effectiveness and supporting our drive for continuous improvement.

2.3 Assurance Rating System for the Head of Internal Audit Opinion

The overall opinion is based primarily on the outcome of the work undertaken during the 2024/25 audit year. We also consider other information available to us such as our overall knowledge of the organisation, the findings of other assurance providers and inspectors, and the work we undertake at other NHS Wales organisations. The Head of Internal Audit considers the outcomes of the audit work undertaken and exercises professional judgement to arrive at the most appropriate opinion for each organisation.

A quality assurance review process has been applied by the Director of Audit & Assurance and the Head of Internal Audit in the annual reporting process to ensure the overall opinion is consistent with the underlying audit evidence.

We take this approach into account when considering our assessment of our compliance with the requirements of PSIAS.

The assurance rating system based upon the colour-coded barometer and applied to individual audit reports remains unchanged. The descriptive narrative used in these definitions has proven effective in giving an objective and consistent measure of assurance in the context of assessed risk and associated control in those areas examined.

This same assurance rating system is applied to the overall Head of Internal Audit opinion on governance, risk management and control as to individual assignment audit reviews. The assurance rating system together with definitions is included at **Appendix B**.

The individual conclusions arising from detailed audits undertaken during the year have been summarised by the assurance ratings received. The aggregation of audit results gives a better picture of assurance to the Board and also provides a rational basis for

drawing an overall audit opinion. However, please note that for presentational purposes we have shown the results using the eight areas that were previously used to frame the audit plan at its outset (see section 2.4.2).

2.4 Head of Internal Audit Opinion

Scope of opinion

As noted already, the scope of my opinion covers both those areas examined in the risk-based audit plan which has been agreed with senior management and approved by the Audit, Risk and Assurance Committee, and other information obtained during the year that we deem to be relevant to our work. The Head of Internal Audit assessment should be interpreted in this context when reviewing the effectiveness of the system of internal control and be seen as an internal driver for continuous improvement. The Head of Internal Audit opinion on the overall adequacy and effectiveness of the organisation’s framework of governance, risk management, and control is set out below.

Reasonable assurance		The Board can take reasonable assurance that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance. Low to moderate impact on residual risk exposure until resolved.

This opinion will need to be reflected within the Annual Governance Statement along with confirmation of action planned to address the issues raised from reviews.

Focus should be placed on the agreed response to any Unsatisfactory and Limited Assurance opinions issued during the year and the significance of the recommendations made (of which there were 24 audits and three advisory / non-rated reviews in 2024/25) as well as addressing implementation of recommendations from previous year reviews.

Basis for Forming the Opinion

The audit work undertaken during 2024/25, and reported to the Audit, Risk and Assurance Committee, has been aggregated at Section 5.

The evidence base upon which the overall opinion is formed is as follows:

- An assessment of the range of individual opinions and outputs arising from risk-based audit assignments contained within the Internal Audit plan that have been reported to the Audit, Risk and Assurance Committee throughout the year. In addition, and where appropriate, work at either draft report stage or in progress but substantially complete has also been considered, and where this is the case then it is identified in the report. This assessment has taken account of the relative materiality of these areas and the results of any follow-up audits in progressing control improvements.
- The results of any audit work related to the Health & Care Quality Standards including, if appropriate, the evidence available by which the Board has arrived at its declaration in respect of the self-assessment for the leadership standard.

Other assurance reviews which impact on the Head of Internal Audit opinion

including audit work performed at other organisations (see Section 3).

- Other knowledge and information that the Head of Internal Audit has obtained during the year including cumulative information and knowledge over time; observation of Board and other key Committee meetings; meetings with Executive Directors, senior managers and Independent Members; the results of *ad hoc* work and support provided; liaison with other assurance providers and Inspectors; research; and cumulative audit knowledge of the organisation that the Head of Internal Audit considers relevant to the Opinion for this year.

As stated above, these detailed results have been aggregated to build a picture of assurance across the Health Board.

In reaching this opinion we have identified some reviews during the year concluded positively with effective control arrangements operating in some areas.

From the opinions issued during the year, one was allocated Substantial Assurance, sixteen are allocated Reasonable Assurance, three were allocated Limited Assurance with none allocated an Unsatisfactory assurance opinion. Three advisory or non-opinion reports were also issued and four are in the process of being determined.

In addition, the Head of Internal Audit has considered residual risk exposure across those assignments where limited assurance was reported. Further, the Head of Internal Audit has considered the impact where audit assignments planned this year did not proceed to full audits following preliminary planning work and these were either: removed from the plan; removed from the plan and replaced with another audit; or deferred until a future audit year. The reasons for changes to the audit plan were presented to the Audit, Risk and Assurance Committee for consideration and approval. Notwithstanding that the opinion is restricted to those areas which were subject to audit review, the Head of Internal Audit has considered the impact of changes made to the plan when forming the overall opinion.

A summary of the findings is shown below. We have reported the findings using the eight areas of the Health Board's activities that we had previously used to structure our strategic and one-year operational plans.

Corporate Governance, Risk Management and Regulatory Compliance

We have undertaken three reviews in this area, one of which is work in progress, but is planned for inclusion within the 2024/25 opinion.

- **Declarations of Interest:** The audit provided **substantial** assurance on the management of declared interests. The audit reviewed the arrangements for registering and managing potential conflicts of interest within the Health Board. We found that the new automated process for declarations, implemented via Microsoft Forms in October 2024, is effective. However, we highlighted two areas for improvement: ensuring all required staff complete declarations and reminding staff of policy requirements.
- **Divisional Governance Arrangements:** The audit assessed the governance arrangements within the Primary Care and Community Division of the Health Board. The audit concluded with **reasonable** assurance, highlighting the need for improved policies and procedures for escalating key risks. Key findings include the absence of formal guidance on risk escalation, improvements required to the tracking of escalated risks, and the need for a feedback mechanism to ensure issues are addressed.

- **Follow-up of Internal Audit Recommendations** - this audit, where we considered timely implementation of a sample of 2023/24 internal audit recommendations, received a substantial assurance opinion. No matters were identified for reporting.

Strategic Planning, Performance Management & Reporting

We have undertaken two reviews in this area, one of which is work in progress, but is planned for inclusion within the 2024/25 opinion.

- **Intelligence Led Organisation:** The audit evaluated the processes in place at the Health Board to deliver information products and maximise the use of analytics securely. We provided **reasonable** assurance on the Health Board's efforts to become an intelligence-led organization through its Data, Analytics, and Information Management Strategy. Key areas needing attention include prompt strategy approval, a clear data quality policy, and improved coordination of information products. In addition, the report highlights the need for improved digital literacy and the establishment of a central oversight group to address data silos and enhance decision-making.
- **Performance Framework:** The Performance Framework audit assessed

Financial Governance and Management

We have undertaken two reviews in this area, one of which is work in progress and one is in draft, but is planned for inclusion within the 2024/25 opinion.

- **Contract Management:** The advisory review
- **Financial Sustainability:** The audit provided

Quality & Safety

We have undertaken three reviews in this area, one of which is work in progress, but is planned for inclusion within the 2024/25 opinion.

- **Maternity Services Improvement Plan:** We have provided **reasonable** assurance on the implementation and monitoring of the Maternity Services Action Plan. It highlights the progress made in addressing 124 areas of improvement identified in the 2023 Maternity Neonatal Discovery Phase Report. Key findings include the need for enhanced tracking and accountability, with specific recommendations for improving the monitoring spreadsheet. The report emphasises the importance of regular updates and clear responsibility assignments to ensure effective oversight and transparency in maternity services.
- **End of Life Care:** The audit provided **reasonable** assurance, but highlighted the need for a formal framework to manage Future Care Planning (FCP) documentation and address findings from the 2022 NACEL audit.
- **Medical Equipment and Devices:** We have provided

Information Governance & Security

We have undertaken three reviews in this area, two of which are work in progress, but are planned for inclusion within the 2024/25 opinion.

- **Records Management:** We provided **limited** assurance over the management of records within the Health Board. Key issues include difficulty retrieving patient records, inappropriate storage conditions, including the security of records, and inadequate strategies for optimising storage space. Minor issues include low uptake of awareness sessions and a lack of centralised tracking for ward clerk availability.
- **Technical Continuity:** We provided **reasonable** assurance.
- **Electronic Document and Records Management System:** We provided.

Operational Service and Functional Management

We have undertaken seven reviews in this area, two of which are work in progress, but are planned for inclusion within the 2024/25 opinion.

- **Facilities Stock:** We provided **reasonable** assurance on the progress of facilities stock management at the Health Board. Significant improvements have been made since the previous audit, including better stock ordering, stock level management, and security. Training on stock processes remains incomplete, though informal training has improved staff understanding.
- **Directorate Review – Mental Health and LD:** The audit reviewed the implementation of the 90-day Improvement Plan for the Mental Health and Learning Disabilities division at the Health Board. The plan aimed to address concerns from HIW inspections and improve the safety and quality of services. While progress has been made, not all actions have been fully implemented. Key issues include the need for clearer governance structures, specific timelines, and accountability. We provided **reasonable** assurance, but highlighted areas for improvement in governance, monitoring, and communication.
- **Waiting List Management:**
- **Health Board Management Practices:** The audit reviewed the process for letting a sample of Health Board managed GP practices in early 2024. We provided **reasonable** assurance of compliance with Welsh Government regulations and internal policies. Key recommendations include developing a detailed standard operating procedure, maintaining records for reduced application timescales, and ensuring consistent stakeholder representation in interview panels.
- **Medical E-rostering:** The **non-opinion** review highlighted the importance of E-rostering and job planning in the NHS for efficient workforce management and patient care. Initial roster plans for Family & Therapies and Mental Health & LD divisions were paused by senior management and as such, the central support team shifted focus to job plan completion. A revised implementation plan prioritises E-rostering rollout to directorates with higher job plan compliance, contingent on improved compliance and medical leaders' approval. The plan starts in April 2025, with phased arrangements from July 2025 to May 2026.
- **Health and Safety:**

- **Providing Care to Asylum Seekers and Refugees:** We provided **reasonable** assurance over the Health Board's process for managing asylum seekers and refugees. The Health Inclusion Service (HIS) offers strong support and engages with various services to ensure free patient care for refugees and asylum seekers. Key issues identified include delays in completing Blue Book assessments and insufficient staff training.

Workforce Management

We have undertaken three reviews in this area, one of which is in draft, but is planned for inclusion within the 2024/25 opinion.

- **Staff Culture:** The audit reviewed actions following completion of the Employee Experience Survey. We provided **reasonable** assurance overall, but raised issues over the absence of a centralised action plan and inconsistent implementation across directorates, risking effective responses to survey findings. Promising initiatives need broader adoption and robust monitoring.
- **Embedding of Policies (Speaking up Safely):** We provided **limited** assurance from our audit of adherence to the Welsh Government Speaking up Safely Framework, due to issues such as lack of dedicated resources, unclear case management, and reliance on manual systems. A new process introduced in December 2024 aims to address these issues with dedicated reporting channels and enhanced accessibility.
- **Job Planning:** We provided **limited** assurance from our audit of adherence to the consultant job planning processes. It highlights low compliance with job planning, with only 38.4% completion against a 90% target set by the Welsh Government. Key issues include incomplete personal and service outcomes in job plans, inconsistencies with the Electronic Staff Record (ESR), and insufficient focus on job planning in operational forums.

Capital & Estates Management

We have undertaken four reviews in this area, one of which is in draft, but is planned for inclusion within the 2024/25 opinion.

- **Nevill Hall RAAC:** The audit evaluated the management of risks associated with Reinforced Autoclaved Aerated Concrete (RAAC) at Nevill Hall Hospital. The Welsh Government funded £1.158m for RAAC remedial works. We provided **reasonable** assurance, but raised key recommendations over developing a RAAC management strategy, obtaining retrospective approvals, and improving procurement processes. The audit emphasized the need for ongoing monitoring and formalised governance to ensure patient safety and operational continuity.
- **Estates Assurance – Energy Management:** We provided **reasonable** assurance over energy management at the Health Board. It highlighted that the Health Board's energy consumption is significant, representing 17% of NHS Wales' total, with costs of £6.7m for gas and £10.2m for electricity. Key recommendations include finalising the Energy Team's Work Plan, improving data capture efficiency, and enhancing energy awareness training.

- **Newport HWBC:**
- **GUH – Emergency Department Extension:** The audit of the Grange University Hospital Emergency Department extension project concluded with **reasonable** assurance. A minor cost overrun (0.13%) and a one-month delay were noted, but long-term benefits remain unaffected. Governance was effective but requires an enhanced Project Board role and reporting. We found missing Collateral Warranties and Parent Company Guarantees and technical design issues caused delays. We also found that improvements to timely performance reporting was required.

2.5 Approach to Follow Up of Recommendations

As part of our Follow-up of Previous Recommendations audit work, we consider the progress made in implementing the actions agreed from our previous reports for which we were able to give only Limited Assurance. In addition, where appropriate, we also consider progress made on high priority findings in reports where we were still able to give Reasonable Assurance. We also undertake some testing on the accuracy and effectiveness of the audit recommendation tracker.

In addition, Audit Committees monitor the progress in implementing recommendations (this is wider than just Internal Audit recommendations) through their own recommendation tracker processes. We attend all audit committee meetings and observe the quality and rigour around these processes.

However, it remains the role of Audit Committees to consider and agree the adequacy of management responses and the dates for implementation, and any subsequent request for revised dates, proposed by Management. Where appropriate, we have adjusted our approach to follow-up work to reflect these challenges.

We have considered the impact of both our follow-up work and where there have been delays to the implementation of recommendations, on both our ability to give an overall opinion (in compliance with the PSIAS) and the level of overall assurance that we can give.

The Health Board's recommendation tracking process continued during 2024/25 although there is a need for management to actively engage in the process as several recommendations are either past the advised implementation date.

2.6 Limitations to the Audit Opinion

Internal control, no matter how well designed and operated, can provide only reasonable and not absolute assurance regarding the achievement of an organisation's objectives. The likelihood of achievement is affected by limitations inherent in all internal control systems.

In accordance with auditing standards, and with the agreement of senior management and the Board, Internal Audit work is deliberately prioritised according to risk and materiality. Accordingly, the Internal Audit work and reported outcomes will bias towards known weaknesses as a driver to improve governance risk management and control. This context is important in understanding the overall opinion and balancing that across the various assurances which feature in the Annual Governance Statement.

Caution should be exercised when making comparisons with prior years. Audit coverage will vary from year to year based upon risk assessment and cyclical coverage on key

control systems.

2.7 Period covered by the Opinion

Internal Audit provides a continuous flow of assurance to the Board and, subject to the key financials and other mandated items being completed in-year, the cut-off point for annual reporting purposes can be set by agreement with management. To enable the Head of Internal Audit opinion to be better aligned with the production of the Annual Governance Statement a pragmatic cut-off point has been applied to Internal Audit work in progress.

By previous agreement with the Health Board, audit work reported to draft stage has been included in the overall assessment, with all other work in progress rolled-forward and reported within the overall opinion for next year.

Most audit reviews will relate to the systems and processes in operation during 2024/25 unless otherwise stated and reflect the condition of internal controls pertaining at the point of audit assessment.

Follow-up work will provide an assessment of action taken by management on recommendations made in prior periods and will therefore provide a limited scope update on the current condition of control and a measure of direction of travel.

There are some specific assurance reviews which remain relevant to the reporting of the organisation's Annual Report required to be published after the year end. Where required, any specified assurance work would be aligned with the timeline for production of the Health Board's Annual Report and accordingly will be completed and reported to management and the Audit, Risk and Assurance Committee after this Head of Internal Audit Opinion. However, the Head of Internal Audit's assessment of arrangements in these areas would be legitimately informed by drawing on the assurance work completed as part of this current year's plan.

2.8 Required Work

Please note that following discussions with Welsh Government we were not mandated to audit any areas in 2024/25.

2.9 Statement of Conformance

The Welsh Government determined that the Public Sector Internal Audit Standards (PSIAS) would apply across the NHS in Wales from 2013/14.

The provision of professional quality Internal Audit is a fundamental aim of our service delivery methodology and compliance with PSIAS is central to our audit approach. Quality is controlled by the Head of Internal Audit on an ongoing basis and monitored by the Director of Audit & Assurance. In addition, at least once every five years, we are required to have an External Quality Assessment. This was undertaken by the Chartered Institute of Public Finance and Accountancy (CIPFA) in March 2023, reported in April 2023 stated who concluded we 'Fully Conform' with the Standards.

The NWSSP Audit and Assurance Services can assure the Audit, Risk and Assurance Committee that it has conducted its audit at the Health Board in conformance with the Public Sector Internal Audit Standards for 2024/25.

Our conformance statement for 2024/25 is based upon:

- the results of our internal Quality Assurance and Improvement Programme (QAIP) for 2024/25 which will be reported formally in the Summer of 2025; and
- The results of the External Quality Assessment.

We have set out, in **Appendix A**, the key requirements of the Public Sector Internal Audit Standards and our assessment of conformance against these requirements. The full results and actions from our QAIP will be included in the 2024/25 QAIP report. There are no significant matters arising that need to be reported in this document.

We also note that there have been no impairments to the independence of the Head of Internal Audit or to any other members of NWSSP's Audit & Assurance Service who undertook work on the Health Board's audit programme for 2024/25.

The Head of Internal Audit has unfettered access to the Chief Executive, Chair of the Audit, Risk and Assurance Committee and Chair of the Health Board.

2.10 Completion of the Annual Governance Statement

While the overall Internal Audit opinion will inform the review of effectiveness for the Annual Governance Statement, the Accountable Officer and the Board need to consider other assurances and risks when preparing their Statement. These sources of assurances will have been identified within the Board's own performance management and assurance framework and will include, but are not limited to:

- direct assurances from management on the operation of internal controls through the upward chain of accountability;
- internally assessed performance against the Health & Care Quality Standards;
- results of internal compliance functions including Local Counter-Fraud, Post Payment Verification, and risk management;
- reported compliance via the Welsh Risk Pool regarding claims standards and other specialty specific standards reviewed during the period; and
- reviews completed by external regulation and inspection bodies including Audit Wales, Healthcare Inspectorate Wales and Health and Safety Executive.

3. Other work relevant to the Health Board

As our internal audit work covers all NHS Wales organisations there are a number of audits that we undertake each year which, while undertaken formally as part of a particular health organisation's audit programme, will cover activities relating to other health bodies. These are set out below, with relevant comments and opinions attached, and relate to work at:

- NHS Wales Shared Services Partnership;
- Digital Health and Care Wales; and
- NHS Wales Joint Commissioning Committee.

NHS Wales Shared Services Partnership (NWSSP)

As part of the internal audit programme at NHS Wales Shared Services Partnership (NWSSP), a hosted body of Velindre University NHS Trust, a number of audits were undertaken which are relevant to the Health Board. These audits of the financial systems

operated by NWSSP, processing transactions on behalf of the Health Board, derived the following opinion ratings:

Audit	Opinion	Outline scope
Accounts Payable	Reasonable	To review the adequacy of the systems and controls in place for key risk areas in the accounts payable process, including progress in implementing the actions agreed with management to address the issues identified in the previous audit report.
PCS Pharmacy	Substantial	To provide assurance that Primary Care Services is maintaining a robust system to facilitate timely and accurate payments to pharmacy contractors.
Payroll	Substantial	To evaluate the design and operation of the systems and controls in place within payroll services.
Recruitment Services	Substantial	To review the adequacy of systems and controls in place for Recruitment Services.

Please note that other audits of NWSSP activities are undertaken as part of the overall NWSSP internal audit programme. All audits in this programme are reported to the Velindre University NHS Trust Audit Committee for NHS Wales Shared Services Partnership. The overall Head of Internal Audit Opinion for NWSSP is Reasonable Assurance.

Digital Health & Care Wales (DHCW)

As part of the internal audit programme at DHCW, a Special Health Authority that started operating from 1 April 2021, a number of audits were undertaken which are relevant to the Health Board. These audits derived the following opinion ratings:

Audit	Opinion	Outline scope
Financial Sustainability	Reasonable	To review the financial management arrangements in place to ensure the ongoing sustainability of services and project delivery, with a particular focus on sustainable funding requirements for projects (e.g. DPIF, WASPI).
Programme Management	Reasonable	To establish the effectiveness of the portfolio management model used by DHCW and the controls that are in place to ensure it operates across the range of active projects.

Audit	Opinion	Outline scope
Mission One – National Data Resource	Reasonable	To provide assurance over the National Data Resource (NDR) Platform programme of work, including progress towards implementing local datastores, and reference, demographics and medicines data.
Mission One – Cloud Services	Substantial	To provide assurance over the programme of work to move live services from datacentres into the cloud.

Please note that other audits of DHCW activities are undertaken as part of the overall DHCW internal audit programme. The overall Head of Internal Audit Opinion for DHCW is Reasonable Assurance.

NHS Wales Joint Commissioning Committee (JCC)

The work at the JCC is undertaken as part of the Cwm Taf Morgannwg internal audit plan. These audits are listed below and derived the following opinion ratings:

Audit	Opinion	Outline scope
Mental Health Quality Commissioning arrangements	Reasonable	The purpose of the review was to assess the effectiveness of the arrangements in the JCC to oversee the quality and safety aspects of the commissioning of mental health and learning disability placements.
Governance	Advisory	To assess the arrangements that have been put in place at the JCC for embedding the statutory governance framework and the establishment of operational governance arrangements to provide effective oversight in the new organisation.
Financial arrangements [Drafting]	[TBC]	To consider the financial arrangements in relation to financial management and budgetary control, procurement and income.
Review of Traumatic Stress Wales [Draft]	Limited	The purpose of the review was to provide information to assist the Director of Commissioning for Mental Health, Learning Disabilities and Vulnerable Groups within the JCC to determine the optimum delivery mechanism for the national objective of Traumatic Stress Wales (TSW), by review of the adequacy of the systems and controls in place within TSW and the JCC in relation to its management of TSW. The review sought to

Audit	Opinion	Outline scope
		provide assurance to the Chief Commissioner via the Director of Commissioning for Mental Health, Learning Disabilities and Vulnerable Groups, that TSW is operating effectively, systems are being managed appropriately, and there is clarity on the purpose and objectives of TSW within the new arrangements for the JCC.

While these audits do not form part of the annual plan for the Health Board, they are listed here for completeness as they do impact on the organisation’s activities. The Head of Internal Audit has considered if any issues raised in the audits could impact on the content of our annual report and concluded that there are no matters of this nature.

Full details of the NWSSP audits are included in the NWSSP Head of Internal Audit Opinion and Annual Report. JCC audits are summarised in the Cwm Taf Morgannwg University Health Board Head of Internal Audit Opinion and Annual Report.

4. Delivery of the Internal Audit Plan

4.1 Performance against the Audit Plan

The Internal Audit Plan has been delivered substantially in accordance with the schedule agreed with the Audit, Risk and Assurance Committee, subject to changes agreed as the year progressed. Regular audit progress reports have been submitted to the Audit, Risk and Assurance Committee during the year. Audits that remain to be reported, but are reflected within this Annual Report, will be reported alongside audits from the 2024/25 operational audit plan.

The audit plan approved by the Committee in April 2024 contained 27 planned reviews, 3 IAP capital audits and one audit brought forward. Changes have been made to the plan with 1 audit added, 2 audits merged and 3 deferred, and the NHH Regional Satellite Centre will be reported during 2025/26. These changes have been reported to, and approved by, the Audit, Risk and Assurance Committee.

The assignment status summary is reported at section 5.

In addition, we may respond to requests for advice and/or assistance across a variety of business areas across the Health Board. This advisory work, undertaken in addition to the assurance plan, is permitted under the standards to assist management in improving governance, risk management and control. This activity is reported during the year within our progress reports to the Audit, Risk and Assurance Committee.

4.2 Service Performance Indicators

In order to monitor aspects of the service delivered by Internal Audit, a range of service performance indicators have been developed.

Indicator Reported to Audit, Risk and Assurance Committee	Stat us	Actual	Target	Red	Amber	Green
Operational Audit Plan agreed for 2024/25	G	April 2024	By 30 June	Not agreed	Draft plan	Final plan

Indicator Reported to Audit, Risk and Assurance Committee	Status	Actual	Target	Red	Amber	Green
Total assignments reported against adjusted plan for 2024/25	G	100%	100%	v>20%	10%<v<20%	v<10%
Report turnaround: time from fieldwork completion to draft reporting [10 working days]	G	100%	80%	v>20%	10%<v<20%	v<10%
Report turnaround: time taken for management response to discussion & draft report [20 working days]	xxx	xxxx	80%	v>20%	10%<v<20%	v<10%
Report turnaround: time from management response to issue of final report [10 working days]	G	100%	80%	v>20%	10%<v<20%	v<10%

Key: v = percentage variance from target performance

5. Risk based audit assignments

The overall opinion provided in Section 1 and our conclusions on individual reviews is limited to the scope and objectives of the reviews we have undertaken, detailed information on which has been provided within the individual audit reports.

5.1 Overall summary of results

In total 27 audit reviews were reported during the year. Figure 1 below presents the assurance ratings, and the number of audits derived for each.

Figure 1 **Summary of audit ratings**

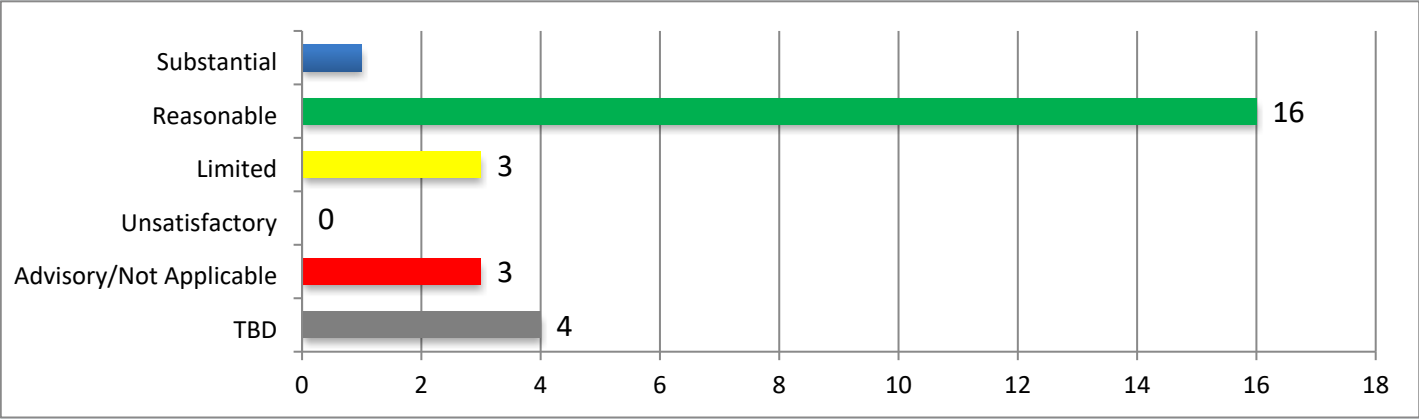


Figure 1 above does not include the audit ratings for the reviews undertaken at NWSSP, DHCW or the NHS Wales Joint Commissioning Committee.

The assurance ratings and definitions used for reporting audit assignments are included in **Appendix B**.

In addition to the above, there were several audits which did not proceed following preliminary planning and agreement with management. In some cases, it was recognised that there was action required to address issues and/or risks already known to management and an audit review at that time would not add additional value. These audits are documented in section 5.7.

The following sections provide a summary of the scope and objective for each assignment undertaken within the year along with the assurance rating.

5.2 Substantial Assurance (Dark Green)



In the following review areas, the Board can take **substantial assurance** that arrangements to secure governance, risk management and internal control are suitably designed and applied effectively. Those few matters that may require attention are compliance or advisory in nature with low impact on residual risk exposure.

Review Title	Objective
Declarations of Interest	To provide assurance over the arrangements for registering and managing potential conflicts caused by the receipt of gifts, hospitality and external interests.

5.3 Reasonable Assurance (Light Green)



In the following review areas, the Board can take **reasonable assurance** that arrangements to secure governance, risk management and internal control are suitably designed and applied effectively. Some matters require management attention in either control design or operational compliance and these will have low to moderate impact on residual risk exposure until resolved.

Review Title	Objective
Intelligence Led Organisation	To evaluate and determine the processes in place to deliver information products to staff and maximise the use of analytics in an appropriate and secure manner.
Facilities Stock	A dedicated follow-up review over the implementation progress of the recommendations raised within the 2023/24.

Review Title	Objective
Performance Framework	To provide assurance over the new performance framework, including escalation arrangements.
Divisional Governance Arrangements	A review of the governance arrangements in place within divisions (excl. Mental Health and LD), to ensure key risks / matters arising are escalated and / or managed effectively.
Directorate Review – Mental Health and LD	A review to ensure that arrangements from the 90-day plan for the division have been embedded.
Maternity Services Improvement Plan	A continuation from the 2023/24 internal audit of Maternity Services Action Plan, to ensure that external recommendations raised are on track to being fully implemented.
End of Life Care	To determine if packages of care are appropriately planned in advance for end-of-life patients.
Waiting List Management	To review the arrangements in place to reduce the patient waiting lists of services not reported at a national level.
Staff Culture	A review of the actions underway to influence change following on from the NHS Wales Staff Survey results.
Nevill Hall RAAC	The review will focus on the works to manage and address the Reinforced Autoclave Aerated Concrete (RAAC) identified within Nevill Hall General Hospital.
Estates Assurance – Energy Management	Recognising the increase in utility costs and the associated financial risks, the audit will examine the arrangements in place to manage energy consumption, optimisation, conservation and efficiency. The audit will look to gain assurance the appropriate arrangements are in place to gather data, ensuring that the data is of suitable quality/ reliability. The audit will also look at resulting strategies and/ or plans to address key risks.
Newport HWBC	The audit will evaluate whether the Health & Wellbeing Centre, as commissioned, is achieving the desired objectives and whether issues raised at prior audits have been addressed.
GUH – Emergency Department Extension	The overall objective of this audit is to evaluate the progression and delivery of the project against the key business case objectives and to assess the

Review Title	Objective
	adequacy of the systems and controls in place to support the successful delivery of the project.
Health Board Managed Practices	To determine if the Health Board has an appropriate process in place for managing the phased return of Managed Practices to Independent Contractor status and test if the process undertaken to award contracts to Independent Contractors in January 2024 was in-line with due process.
Technical Continuity	Review of the enactment of technical resilience and awareness of fault domains to ensure the Health Board is maximising the potential for resilience within the architecture.
Providing Care to Asylum Seekers and Refugees (2023/24)	To provide an opinion over the arrangements in place within the Health Board for providing care to asylum seekers and refugees, including that applicable guidance is being adhered to.

5.4 Limited Assurance (Amber)



In the following review areas, the Board can take only **limited assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. More significant matters require management attention with moderate impact on residual risk exposure until resolved.

Review Title	Objective
Embedding of Policies (Speaking up Safely)	The review will assess whether the Speaking up Safely: A Framework for the NHS in Wales has been fully implemented.
Records Management	To assess the implementation of the recommendations raised within the 2022/23 internal audit.
Job Planning	To provide assurance that arrangements are in place and operating effectively for consultant job planning.

5.5 Unsatisfactory (Red)



No reviews were assigned an 'unsatisfactory' opinion.

5.6 Advisory/Assurance Not Applied (Grey)



The following review was undertaken as part of the audit plan and reported without the standard assurance rating indicator, owing to the nature of the audit approach. The level of assurance given for this review is deemed not applicable – these are reviews and other assistance to management, provided as part of the audit plan, to which the assurance definitions are not appropriate, but which are relevant to the evidence base upon which the overall opinion is formed.

Review Title	Objective
Follow-up of High Priority Recommendations	To assess whether high priority internal audit recommendations have been implemented.
Contract Management	To determine if contract management controls are operating effectively, including engagement with stakeholders.
Medical E-rostering	To provide an opinion over the processes for the implementation of the roll-out plan for the management of medical e-rostering.
Financial Sustainability	To determine if appropriate recovery plans are in place to achieve a sustainable financial position, including the impact of any associated reduction in non-recurrent public health funding.
Health and Safety	To complete a review over how key health and safety risks are managed in accordance with the Health Board's policies and procedures, including RIDDOR reporting relating to falls.
Medical Equipment and Devices	To assess the implementation of the electronic tagging and tracking of medical equipment and devices across the Health Board.
Electronic Document and Records Management System	An opinion over the effectiveness and appropriateness of the electronic document and records management solution (EDRMS) in use for the management of digital health records and the provision of scanning services.

5.7 Audits not undertaken

Additionally, the following audits were deferred for the reasons outlined below. We have considered these reviews and the reason for their deferment when compiling the Head of Internal Audit Opinion.

Review Title	Objective
Partnership Arrangements	To review the processes and procedures that the Health Board has in place to manage its partnership arrangements. <i>Deferred due to the inclusion of an additional audit over Health Board Managed GP Practices.</i>
Welsh Intensive Care Information System	A review of the arrangements in place for implementing the Welsh Intensive Care Information System. <i>Deferred due to a lack of progress over the funding position, which prevented the audit from progressing in its current form. This will be reviewed during 2025/26 with a different outline audit scope.</i>
Capital Systems	To review the control framework, systems and processes in place to manage schemes not funded through integrated audit plans. <i>Deferred into 2025/26 as the project suitable for audit inclusion (Decontamination Unity) has not yet progressed, but will do so in early 2025/26.</i>

In addition, at the time of this annual report there was one review that was 'work in progress', which is detailed below.

Review Title	Objective
Nevill Hall Hospital – Regional Satellite Centre	To evaluate the progression and delivery of the project against the key business case objectives and to assess the adequacy of the systems and controls in place to support the successful delivery of the project.

6. Acknowledgement

In closing I would like to acknowledge the time and co-operation given by Directors and staff of the Health Board to support delivery of the Internal Audit assignments undertaken within the 2024/25 plan.

Stephen Chaney

Pennaeth yr Archwiliad Mewnol/Head of Internal Audit

Gwasanaethau Archwilio a Sicrwydd/Audit and Assurance Services

Partneriaeth Cydwasanaethau GIG Cymru/NHS Wales Shared Services Partnership

May 2025

Appendix A

ATTRIBUTE STANDARDS	
1000 Purpose, authority and responsibility	Internal Audit arrangements are derived ultimately from the NHS organisation's Standing Orders and Financial Instructions. These arrangements are embodied in the Internal Audit Charter adopted by the Audit, Risk and Assurance Committee on an annual basis.
1100 Independence and objectivity	Appropriate structures and reporting arrangements are in place. Internal Audit does not have any management responsibilities. Internal audit staff are required to declare any conflicts of interests. The Head of Internal Audit has direct access to the Chief Executive and Audit, Risk and Assurance Committee chair. There have been no impairments to our independence during 2024/25.
1200 Proficiency and due professional care	Staff are aware of the Public Sector Internal Audit Standards and code of ethics. Appropriate staff are allocated to assignments based on knowledge and experience. Training and Development exist for all staff. The Head of Internal Audit is professionally qualified.
1300 Quality assurance and improvement programme	Head of Internal Audit undertakes quality reviews of assignments and reports as set out in internal procedures. Internal quality monitoring against standards is performed by the Head of Internal Audit and Director of Audit & Assurance. An EQA was undertaken in 2023.
PERFORMANCE STANDARDS	
2000 Managing the internal audit activity	The Internal Audit activity is managed through the NHS Wales Shared Services Partnership. The audit service delivery plan forms part of the NWSSP integrated medium term plan. A risk based strategic and annual operational plan is developed for the organisation. The operational plan gives detail of specific assignments and sets out overall resource requirement. The audit strategy and annual plan is approved by Audit, Risk and Assurance Committee.

	Policies and procedures which guide the Internal Audit activity are set out in an Audit Quality Manual. There is structured liaison with Audit Wales, HIW and LCFS.
2100 Nature of work	The risk-based plan is developed and assignments performed in a way that allows for evaluation and improvement of governance, risk management and control processes, using a systematic and disciplined approach.
2200 Engagement planning	The Audit Quality Manual guides the planning of audit assignments which include the agreement of an audit brief with management covering scope, objectives, timing and resource allocation.
2300 Performing the engagement	The Audit Quality Manual guides the performance of each audit assignment and report is quality reviewed before issue.
2400 Communicating results	Assignment reports are issued at draft and final stages. The report includes the assignment scope, objectives, conclusions and improvement actions agreed with management. An audit progress report is presented at each meeting of the Audit, Risk and Assurance Committee. An annual report and opinion is produced for the Audit, Risk and Assurance Committee giving assurance on the adequacy and effectiveness of the organisation's framework of governance, risk management and control.
2500 Monitoring progress	An internal follow-up process is maintained by management to monitor progress with implementation of agreed management actions. This is reported to the Audit, Risk and Assurance Committee. In addition, audit reports are followed up by Internal Audit on a selective basis as part of the operational plan.
2600 Communicating the acceptance of risks	If Internal Audit considers that a level of inappropriate risk is being accepted by management, it would be discussed and will be escalated to Board level for resolution.

Appendix B

Assurance Opinion

	Substantial	Few matters require attention and are compliance or advisory in nature. Low impact on residual risk exposure.
	Reasonable	Some matters require management attention in control design or compliance. Low to moderate impact on residual risk exposure until resolved.
	Limited	More significant matters require management attention. Moderate impact on residual risk exposure until resolved.
	Unsatisfactory	Action is required to address the whole control framework in this area. High impact on residual risk exposure until resolved.
	Advisory	Given to reviews and support provided to management which form part of the internal audit plan, to which the assurance definitions are not appropriate. These reviews are still relevant to the evidence base upon which the overall opinion is formed.

Disclaimer

This audit report has been prepared for internal use only. Audit and Assurance Services reports are prepared, in accordance with the agreed audit brief, and the Audit Charter as approved by the Audit, Risk and Assurance Committee. Audit reports are prepared by the staff of the NHS Wales Audit and Assurance Services and addressed to Independent Members or officers including those designated as Accountable Officer. They are prepared for the sole use of Aneurin Bevan University Health Board and no responsibility is taken by the Audit and Assurance Services Internal Auditors to any director or officer in their individual capacity, or to any third party. The report is based on the review work undertaken and is not necessarily a complete statement of all weaknesses that exist or potential improvements. Whilst every care has been taken to ensure that the information provided in this report is as accurate as possible, no complete guarantee or warranty can be given with regard to the advice and information contained. Our work does not provide absolute assurance that material errors, loss or fraud do not exist. Responsibility for a sound system of internal controls and the prevention and detection of fraud and other irregularities rests with management of Aneurin Bevan University Health Board. Work performed by internal audit should not be relied upon to identify all strengths and weaknesses in internal controls, or all circumstances of fraud or irregularity. Effective and timely implementation of recommendations is important for the development and maintenance of a reliable internal control system.

Prioritisation of Findings

Priority	Explanation
High	Significant risk to achievement of a system objective OR evidence present of material loss, error, or misstatement. Poor system design OR widespread non-compliance.
Medium	Some risk to achievement of a system objective. Minor weakness in system design OR limited non-compliance.

Public Sector Internal Audit Standards

Audit work undertaken by NHS Wales Audit and Assurance Services conforms with the International Standards for the Professional Practice of Internal Auditing and associated Public Sector Internal Audit Standards as validated through the external quality assessment undertaken by the Chartered Institute of Public Finance & Accountancy in April 2023.



Website: [Audit & Assurance Services - NHS Wales Shared Services Partnership](#)



Internal Audit Plan 2025/26

Aneurin Bevan University Health Board

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1. Introduction

This document sets out the Internal Audit Plan for 2025/26 (the 'Plan') detailing the audits to be undertaken and information of the corresponding resources. It also contains the Internal Audit Mandate and Charter which defines the over-arching purpose, authority and responsibility of Internal Audit and the Key Performance Indicators for the service.

The Accountable Officer (the Chief Executive) is required to certify, in the Annual Governance Statement, that they have reviewed the effectiveness of the organisation's governance arrangements, including the internal control systems, and provide confirmation that these arrangements have been effective, with any qualifications as necessary including required developments and improvement to address any issues identified.

The purpose of Internal Audit is to provide the Accountable Officer and the Board, through the Audit, Risk and Assurance Committee, with an independent and objective annual opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management, and control. The opinion should be used to inform the Annual Governance Statement.

Additionally, the key findings and agreed actions from internal audit reviews may be used by Aneurin Bevan University Health Board's (ABUHB) management to improve governance, risk management, and control within their operational areas.

In January 2025 new Global Internal Audit Standards (the 'Standards') became effective and apply to UK public sector audits from 1 April 2025 to align with the financial year. These new standards replace the previous guidance: the Public Sector Internal Audit Standards. The new Standards are accompanied by a UK public sector application note (the 'Application Note'), which provides public sector interpretations and additional requirements for the Standards. The new Standards require that a risk based internal audit plan is created that supports the achievement of the organisation's objectives.

Accordingly, this document sets out the risk-based approach and the Plan for 2025/26. The Plan will be delivered in accordance with the Internal Audit Mandate and Charter and the agreed KPIs, which are monitored and reported to you. All internal audit activity will be provided by Audit & Assurance Services, a part of NHS Wales Shared Services Partnership (NWSSP).

1.1 National Assurance Audits

The proposed Plan includes assurance audits on some services that are provided by other organisations on behalf of NHS Wales. These are: Digital Health and Care Wales (DHCW); NHS Wales Shared Services Partnership (NWSSP); and the NHS Wales Joint Commissioning Committee (JCC), which replaced EASC and WHSSC from April 2024. These audits will be included in Appendix A when agreed formally. These audits are part of the risk-based programme of work for DHCW, NWSSP and Cwm Taf Morgannwg UHB (for the JCC), but the results, as in previous years, are reported to the relevant health organisations and are used to inform the overall annual Internal Audit opinion for those organisations.

2. Developing the Internal Audit Plan

2.1 Link to the Global Internal Audit Standards

The Plan has been developed in accordance with Principle 9: Plan Strategically, which includes Standard 9.4 – Internal Audit Plan, of the Standards, and the accompanying Application Note, which provides public sector interpretations and additional requirements for the Standards, to enable the Head of Internal Audit to meet the following key objectives:

- the need to establish risk-based plans to determine the priorities of the internal audit activity, consistent with the organisation's goals.
- provision to the Accountable Officer of an overall independent and objective annual opinion on the organisation's governance, risk management, and control, which will in turn support the preparation of the Annual Governance Statement;
- audits of the organisation's governance, risk management, and control arrangements which afford suitable priority to the organisation's objectives and risks.
- improvement of the organisation's governance, risk management, and control arrangements by providing line management with recommendations arising from audit work.
- confirmation of the audit resources required to deliver the Internal Audit Plan.
- effective co-operation with Audit Wales as external auditor and other review bodies functioning in the organisation; and
- provision of both assurance (opinion based) and consulting engagements by Internal Audit.

2.2 Risk based internal audit planning approach

Our risk-based planning approach recognises the need for the prioritisation of audit coverage to provide assurance on the management of key areas of risk, and our approach addresses this by considering:

- the organisation's risk assessment and maturity;
- the organisation's response to key areas of governance, risk management and control;
- the previous years' internal audit activities; and
- the audit resources required to provide a balanced and comprehensive view.

Our planning considers the NHS Wales Planning Framework and other NHS Wales priorities and is mindful of significant national changes that are taking place. In addition, the Plan aims to reflect the significant local changes occurring as identified through the Integrated Medium-Term Plan (IMTP) and other changes within the organisation, assurance needs, identified concerns from our discussions with management, and emerging risks.

We will ensure that the plan remains fit for purpose by recommending changes where appropriate and reacting to any emerging

issues throughout the year. Any necessary updates will be reported to the Audit, Risk and Assurance Committee in line with the Internal Audit Mandate and Charter.

While some areas of governance, risk management and control will require annual consideration, our risk-based planning approach recognises that it is not possible to audit every area of an organisation's activities every year. Therefore, our approach identifies auditable areas (the 'audit universe'). The risk associated with each auditable area is assessed and this determines the appropriate frequency for review.

In addition, we will, if requested, also agree a programme of work through both the Director of Corporate Governance (Board Secretary) and Directors of Finance networks. These audits and reviews may be undertaken across all NHS bodies or a particular sub-set, for example at Health Boards only.

Therefore, our Plan is made up of several key components:

- 1) Consideration of key governance and risk areas: We have identified several areas where an annual consideration supports the most efficient and effective delivery of an annual opinion. These cover the Governance, the Board Assurance Framework, Risk Management, Clinical Governance and Quality, Financial Sustainability, Performance Monitoring & Management, and an overall assessment of Digital and Information Technology. In each case we anticipate a short overview to establish the arrangements in place including any changes from the previous year with detailed testing or further work where required.
- 2) Organisation based audit work – this covers key risks and priorities from the Board Assurance Framework and the Strategic Risk Register, together with other auditable areas identified and prioritised through our planning approach. This work combines elements of governance and risk management with the controls and processes put in place by management to effectively manage the areas under review.
- 3) Follow up - this is follow-up work on previous 'limited' and 'unsatisfactory' assurance reports as well as other medium and high priority recommendations. Our work here also links to the organisation's recommendation tracker and considers the impact of their implementation on the systems of governance and control.
- 4) Work agreed with the Directors of Corporate Governance, Directors of Finance, other executive peer groups, or Audit Committee Chairs in response to common risks faced by several organisations. This may be advisory work to identify areas of best practice or shared learning.
- 5) The impact of audits undertaken at other NHS Wales bodies that may impact on HEIW, namely NHS Wales Shared Services Partnership (NWSSP), Digital Health and Care Wales (DHCW), and the Joint Commissioning Committee (JCC).
- 6) Where appropriate, Integrated Audit & Assurance Plans will be agreed for major capital and transformation schemes and charged for separately. Health bodies are able to add a provision for audit and assurance costs into the final business case for major capital bids.

These components are designed to ensure that our internal audit programmes comply with all of the requirements of the

Standards, supports the maximisation of the benefits of being an all-NHS Wales wide internal audit service, and allows us to respond in an agile way to requests for audit input at both an all-Wales and organisational level.

2.3 Link to Aneurin Bevan University Health Board systems of assurance

The risk based internal audit planning approach integrates with the Health Board's systems of assurance; therefore, we have considered the following:

- A review of ABUHB's vision, values and forward priorities as outlined in the Integrated Medium Term Plan (IMTP).
- An assessment of ABUHB's governance and assurance arrangements and the contents of the strategic risk register.
- Risks identified in papers to the Board and its Committees (in particular the Audit, Risk and Assurance Committee).
- Key strategic risks identified within the strategic risk register and assurance processes.
- Discussions with Executive Directors regarding risks and assurance needs in areas of corporate responsibility, including compliance and ethics programmes.
- Cumulative internal audit knowledge of governance, risk management, and control arrangements (including a consideration of past internal audit opinions).
- New developments and service changes.
- Legislative requirements to which the organisation is required to comply.
- Planned audit coverage of systems and processes provided through NWSSP, DHCW, and the JCC.
- Work undertaken by other supporting functions of the Audit and Assurance Committee including Local Counter-Fraud Services (LCFS) and the Post-Payment Verification Team (PPV), where appropriate.
- Work undertaken by other review bodies, including Audit Wales.
- Coverage necessary to provide assurance to the Accountable Officer in support of the Annual Governance Statement.

2.4 Audit planning meetings

In developing the Plan, in addition to consideration of the above, the Head of Internal Audit has met and spoken with the executive team and independent members to discuss current areas of risk and related assurance needs.

3. Audit risk assessment

The prioritisation of audit coverage across the audit universe is based on both our and the organisation's assessment of risk and assurance requirements as defined in the Board Assurance Framework and strategic risk register.

The maturity of these risk and assurance systems allows us to consider both inherent risk (impact and likelihood) and mitigation (adequacy and effectiveness of internal controls). Our assessment also considers strategic risk, materiality or significance, system complexity, previous audit findings, and potential for fraud.

4. Planned internal audit coverage

4.1 Internal Audit Plan 2025/26

The Plan is set out in Appendix A and identifies the audit assignments, lead executive officers, outline scopes, and proposed timings. It is structured under the six components referred to in section 2.2.

Where appropriate the Plan refers to key strategic risks identified within the strategic risk register and related systems of assurance, together with the proposed audit response within the outline scope.

When developing the audit scope, in discussion with the responsible executive director(s) and operational management, the scope, objectives and audit resource requirements, and timing will be refined in each area.

The scheduling takes account of the optimum timing for the performance of specific assignments in discussion with management, and Audit Wales requirements if appropriate.

The Audit, Risk and Assurance Committee will be kept apprised of performance in delivery of the Plan, and any required changes, through routine progress reports to each Audit, Risk and Assurance Committee meeting.

Most of the audit work will be undertaken by our regionally based teams with support from our national capital and estates team, in terms of capital audit and estates assurance work, and from our IM&T team, in terms of information governance, IT security and digital work.

4.2 Keeping the plan under review

Our risk assessment and resulting Plan is limited to matters emerging from the planning processes indicated above.

Audit & Assurance Services is committed to ensuring its service focuses on priority risk areas, business critical systems, and the provision of assurance to management across the medium term and in the operational year ahead. As in any given year, our Plan will be kept under review and may be subject to change to ensure it remains fit for purpose. To this end, the need for flexibility and a revisit of the focus and timing of the proposed work will be necessary at some point during the year.

Consistent with previous years, and in accordance with best professional practice, an unallocated contingency provision has been retained in the Plan to enable Internal Audit to respond to emerging risks and priorities identified by the executive team

and endorsed by the Audit, Risk and Assurance Committee. Any changes to the Plan will be based upon consideration of risk and need and will be presented to the Audit, Risk and Assurance Committee for approval.

Regular liaison with Audit Wales, as your External Auditor, will take place to coordinate planned coverage and ensure optimum benefit is derived from the total audit resource.

5. Resource needs assessment

The Plan has been put together based on the planning process described in this document. The Plan includes sufficient audit work to be able to give an annual Head of Internal Audit opinion in line with the requirements of Standard 11.3 – Communicating Results, and Application Note 10B – Overall conclusions and annual reporting.

Audit & Assurance Services confirms that it has the necessary human, financial and technological resources to deliver the agreed plan.

Provision has also been made for other essential audit work including planning, management, reporting and follow-up.

If additional work, support or further input necessary to deliver the plan is required during the year over and above the total indicative resource requirement a fee may be charged. Any change to the plan will be based upon consideration of risk and need and presented to the Audit, Risk and Assurance Committee for approval.

The Standards enable Internal Audit to provide consulting services to management. The commissioning of these additional services by ABUHB, unless already included in the plan, is discretionary. Accordingly, a separate fee may need to be agreed for any additional work.

In addition, any capital audit work in relation to specific projects will be charged for separately on the basis of a separately agreed Integrated Audit & Assurance Plan. Where this is the case, a provision for this work would have been included by ABUHB in its business case submission.

6. Action required

The Audit and Assurance Committee is invited to consider the Internal Audit Plan for 2025/26 and:

- approve the Internal Audit Plan for 2025/26;
- approve the Internal Audit Mandate and Charter; and
- note the associated Internal Audit resource requirements and Key Performance Indicators.

Stephen Chaney
Head of Internal Audit
NHS Wales Shared Services Partnership

Appendix A: Internal Audit Plan 2025/26

Planned output, Outline scope, Review reference	Strategic Priority (SP)/BAF Risk / [Strategic Risk Register (SRR)] / Rationale	Executive Lead/Responsible Director	Planned start
1. Divisional Budgetary Control (Assurance) To ensure the Budgetary Control FCP is adhered to at a sample of divisions, with the overall objective of determining if financial sustainability is being maintained.	SRR 001 (financial sustainability)	Director of Finance / Chief Operating Officer	Q3
2. Standing Orders Compliance (Assurance) To assess adherence to the model Standing Orders (Reservation and Delegation of Powers) and Standing Financial Instructions, as determined by the Welsh Government, <u>including any associated risks with the availability of Independent Members.</u>	SRR 001 (financial sustainability)	Director of Corporate Governance / Director of Finance	Q1
3. Strategic Risk and Assurance (Assurance) To determine and evaluate whether the Health Board's governance and strategic oversight of risk and assurance are effective, aligned with organisational goals, and support long-term objectives.	Rotational audit	Director of Corporate Governance	Q4
4. Subject Access Requests (Assurance) To ensure the Health Board is complying with legal and regulatory obligations with effective processes and whether the system for managing subject access requests (SARs) is robust, secure, and efficient.	SRR 006 (service delivery)	Director of Digital	Q1
5. Benefits Realisation (excluding digital) (Assurance) To ensure appropriate processes are embedded for the management and achievement of anticipated benefits arising from change management within the Health Board.	SRR 001 (service delivery)	Director of Strategy, Planning and Partnerships / Chief Operating Officer / Director of Finance	Q3

Planned output, Outline scope, Review reference	Strategic Priority (SP)/BAF Risk / [Strategic Risk Register (SRR)] / Rationale	Executive Lead/Responsible Director	Planned start
6. Business Continuity Plan (Assurance) Evaluate the effectiveness and comprehensiveness of the organisation's business continuity planning, focusing on risk assessment, preparedness, response strategies, and recovery procedures to ensure minimal service disruption during unforeseen events (e.g. loss of suppliers).	SRR 004 (compliance and safety)	Director of Strategy, Planning and Partnerships	Q2
7. Capital Projects: Service Readiness (Assurance) Evaluate the preparedness of services for operational deployment in capital projects, focusing on compliance with project timelines, resource allocation and risk management processes, to ensure a timely commencement of the new / revised operations.	SRR 005 (service delivery)	Director of Strategy, Planning and Partnerships / Chief Operating Officer	Q2
8. Falls Management (Assurance) To provide assurance that the Falls Policy for hospital adult inpatients was being adhered to by staff and monitored appropriately.	SRR 001 (compliance and safety) SRR 005 (service delivery)	Director of Allied Health Professionals and Health Science	Q2
9. Directorate Review – CAMHS (Assurance) To ensure that appropriate arrangements are in place for the management of risk and performance within the CAMHS directorate.	SRR 005 (service delivery) SRR 008 (transformation and partnership working)	Chief Operating Officer	Q3
10. Professional Staff Registration (Assurance) To ensure appropriate arrangements are in place to demonstrate that all staff (medical, clinical, nursing and other groups) requiring professional registration are appropriately registered throughout their employment.	SRR 001	Medical Director / Director of Nursing / Director of Allied Health Professionals and Health Science / Director of Workforce and OD	Q2

Planned output, Outline scope, Review reference	Strategic Priority (SP)/BAF Risk / [Strategic Risk Register (SRR)] / Rationale	Executive Lead/Responsible Director	Planned start
11. Clinical Audit (Assurance) To provide an opinion over whether there are effective processes in place to manage local and national clinical audit plans.	SRR 001	Medical Director	Q4
12. Directorate Review – Opthamology / ENT (Assurance) To determine if the Opthamology and ENT service areas have effective processes embedded for the management of resources, service delivery <u>(including capacity planning)</u> and budgetary responsibilities.	SRR 005 (service delivery)	Chief Officer Operating	Q2
13. Public Health (Advisory) To determine if the Health Board has effective controls in place to ensure that public health objectives are being met at a local level, in support of the IMTP and the requirements of the Well-being of Future Generations (Wales) Act 2015, whilst recognising the responsibilities of Public Health Wales.	SRR 007 (transformation and partnership working)	Director of Public Health	Q1
14. Six Goals Programme (Assurance) To ensure that the Six Goals Programme links appropriately to other plans and processes for a congruent delivery of strategy and <u>to determine if</u> actions <u>are effective</u> , with a focus on primary and community care goals.	SRR 001 (service delivery; and transformation and partnership working)	Director of Nursing	Q3
15. Discharge Planning (Assurance) To provide an opinion over the discharge planning process of the Health Board, with a focus on the management and delivery of planned discharges. This audit will consider the recommendations raised within the 2022/23 internal audit of Discharge Planning.	SRR 001 (financial sustainability) SRR 005 (service delivery)	Director of Nursing	Q ~~4~~ ²

Planned output, Outline scope, Review reference	Strategic Priority (SP)/BAF Risk / [Strategic Risk Register (SRR)] / Rationale	Executive Lead/Responsible Director	Planned start
16. Safeguarding (Assurance) To ensure key policies and procedures are embedded and adhere to safeguarding regulations.	SRR 001 (compliance and safety) SRR 005 (service delivery)	Director of Nursing	Q1
17. Cancer Referral Rates (Assurance) To determine if the referral and application processes within the Health Board are consistent with the rest of NHS Wales.	SRR 005 (service delivery)	Chief Operating Officer	Q4
18. Occupational Health (Assurance) To provide assurance over the arrangements and controls in place for the management of the occupational health service.	SRR 001 (service delivery)	Director of Workforce and OD	Q4
19. Overseas Recruitment (Assurance) To ensure the Health Board is adhering to and updating visa requirements within sufficient timeframes for overseas staff.	SRR 001 (service delivery; and financial sustainability)	Director of Workforce and OD	Q4
20. Speaking up Safely (Assurance) To ensure the newly implemented Speaking Up Safely fully incorporates the principles of the All-Wales Speaking Up Safely Framework issued by the Welsh Government.	Based on a limited assurance internal audit report issued during 2024/25	Director of Workforce and OD	Q1/2
21. Follow-up of High Priority Recommendations To assess whether high priority internal audit recommendations have been implemented.	Annual review of audit recommendation implementation as set out within the Global Internal Audit Standards	Director of Corporate Governance	Q4
22. Cyber Security (including cyber incident response) (Assurance)	SRR 006 (service delivery)	Director of Digital	Q1

Planned output, Outline scope, Review reference	Strategic Priority (SP)/BAF Risk / [Strategic Risk Register (SRR)] / Rationale	Executive Lead/Responsible Director	Planned start
To assess the governance process for cyber security, associated risk statements and the management and delivery of improvement plans.			
23. Shadow IT (Assurance) To ensure that appropriate processes are in place to assess the presence and impact of unauthorised IT systems and applications within the Health Board, including identifying security vulnerabilities, compliance issues and potential risks to data integrity.	SRR 006 (service delivery)	Director of Digital	Q2
<u>24. Welsh Intensive Care Information System</u> <u>To ensure lessons learnt and / or any associated actions regarding the work completed to date on the Welsh Intensive Care Information System are appropriately addressed.</u>	<u>SRR 006 (service delivery)</u>	<u>Director of Digital</u>	<u>Q2</u>
<u>24.25. RGH Central Decontamination Unit (Assurance)</u> The UHB has been successful in obtaining capital funding of £4.714m for the development of a Centralised Decontamination Unit at Royal Gwent Hospital (RGH) to address the current inadequate and non-compliant facilities. The audit will examine the delivery of the project against the key project parameters inc. time, cost and quality. This will be the only audit of the project.	SSR001, SSR002 SSR010 JAG, WHTM compliant	Director of Strategy, Planning and Partnerships	Q2/3
<u>25.26. Estates Assurance - Space Utilisation (Assurance)</u> To assess the systems and controls in place within the UHB to measure the efficiency and effectiveness of space utilisation across the UHB's facilities ensuring the optimal use of available space and identifying opportunities for improvement.	SSR001, SSR002 SSR010 Compliance with H&S requirements	Chief Operating Officer / <u>Director of Allied Health Professionals and Health Science</u>	Q2
Audit management, reporting, Audit Committee attendance, development of Integrated Audit Plans, attendance at associated			

Planned output, Outline scope, Review reference	Strategic Priority (SP)/BAF Risk / [Strategic Risk Register (SRR)] / Rationale	Executive Lead/Responsible Director	Planned start
project/programme boards meetings and associated UHB Committees etc.			

The above will be supplemented by (currently) one additional project audit during 2025/26 agreed through the respective FBC/OBC funding provisions i.e. The Grange Emergency Department.

Appendix B: Key performance indicators (KPI)

KPI	SLA required	Target 2025/26
Audit plan 2025/26 agreed/in draft by 30 April	R	To deliver plan
Audit opinion 2024/25 delivered by 31 May	R	To deliver opinion
Audits reported versus total planned audits, and in line with Audit Committee expectations	R	varies
% of audit outputs in progress	No	varies
Report turnaround fieldwork to draft reporting [10 working days]	R	95%
Report turnaround management response to draft report [15 working days maximum]	R	80%
Report turnaround draft response to final reporting [10 working days]	R	95%

Appendix C: Internal Audit Mandate and Charter

1 Introduction

- 1.1 This Mandate and Charter is produced and updated annually to comply with the Global Internal Audit Standards (introduced from 1 April 2025 for the UK Public Sector). The Standards (with specific reference to Standard 6.1 Internal Audit Mandate and 6.2 Internal Audit Charter) require the production and maintaining of an Internal Audit Mandate and Charter that, at a minimum, sets out:
- The purpose of Internal Auditing;
 - a commitment to adhere to the Global Internal Audit Standards;
 - the Mandate, including the scope and types of services to be provided, and the Board's responsibilities and expectations regarding management's support of the internal audit function; and
 - the organisational position and reporting relationships, including Independence.

The Mandate and Charter are complementary to the relevant provisions included in the organisation's own Standing Orders and Standing Financial Instructions.

- 1.2 The terms 'board' and 'senior management' are required to be defined under the Standards and therefore have the following meaning in this Mandate and Charter:
- Board means the Board of Aneurin Bevan University Health Board with responsibility to direct and oversee the activities and management of the organisation. The Board has delegated authority to the Audit Committee in terms of providing a reporting interface with internal audit activity; and
 - Senior Management means the Chief Executive as being the designated Accountable Officer for Aneurin Bevan University Health Board. The Chief Executive has made arrangements within this Mandate and Charter for an operational interface with internal audit activity through the Director of Corporate Governance (Board Secretary).
- 1.3 Internal Audit seeks to comply with all the appropriate requirements of the Welsh Language (Wales) Measure 2011. We

are happy to correspond in both Welsh and English.

2 Purpose and responsibility

- 2.1 Internal audit is an independent, objective assurance and advisory function designed to add value and improve the operations of the Health Board. Internal audit helps the organisation accomplish its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of governance, risk management and control processes. Its mission is to enhance and protect organisational value by providing risk-based and objective assurance, advice and insight.
- 2.2 Internal Audit is responsible for providing an independent and objective assurance opinion to the Accountable Officer, the Board and the Audit Committee on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control. In addition, internal audit's findings and recommendations are beneficial to management in securing improvement in the audited areas.
- 2.3 The organisation's risk management, internal control and governance arrangements comprise:
- the policies, procedures and operations established by the organisation to ensure the achievement of objectives.
 - the appropriate assessment and management of risk, and the related system of assurance.
 - the arrangements to monitor performance and secure value for money in the use of resources.
 - the reliability of internal and external reporting and accountability processes and the safeguarding of assets.
 - compliance with applicable laws and regulations; and
 - compliance with the behavioural and ethical standards set out for the organisation.
- 2.4 Internal audit also provides an independent and objective consulting service specifically to help management improve the organisations risk management, control and governance arrangements. The service applies the professional skills of internal audit through a systematic and disciplined evaluation of the policies, procedures and operations that management have put in place to ensure the achievement of the organisations objectives, and through recommendations for improvement. Such consulting work contributes to the opinion which internal audit provides on risk management control and governance.

3 Independence and Objectivity

- 3.1 Independence is described in the Global Internal Audit Standards as the freedom from conditions that threaten the ability of the internal audit activity to carry out internal audit responsibilities in an unbiased manner. To achieve the degree of independence necessary to effectively carry out the responsibilities of the internal audit activity, the Head of Internal Audit will have direct and unrestricted access to the Board and Senior Management, in particular the Chair of the Audit Committee and Accountable Officer.

- 3.2 Organisational independence is effectively achieved when the auditor reports functionally to the Audit Committee on behalf of the Board. Such functional reporting includes the Audit Committee:
- approving the internal audit mandate and charter.
 - approving the risk based internal audit plan.
 - approving the internal audit resource plan.
 - receiving outcomes of all internal audit work together with the assurance rating. and
 - reporting on internal audit activity's performance relative to its plan.
- 3.3 While maintaining effective liaison and communication with the organisation, as provided in this Mandate and Charter, all internal audit activities shall remain free of untoward influence by any element in the organisation, including matters of audit selection, scope, procedures, frequency, timing, or report content to permit maintenance of an independent and objective attitude necessary in rendering reports.
- 3.4 Internal Auditors shall have no executive or direct operational responsibility or authority over any of the activities they review. Accordingly, they shall not develop nor install systems or procedures, prepare records, or engage in any other activity which would normally be audited.
- 3.5 This Mandate and Charter makes appropriate arrangements to secure the objectivity and independence of internal audit as required under the standards. In addition, the shared service model of provision in NHS Wales through NWSSP provides further organisational independence.
- 3.6 In terms of avoiding conflicts of interest in relation to non-audit activities, Audit & Assurance has produced a Consulting Protocol that includes all of the steps to be undertaken to ensure compliance with the relevant Standards that apply to non-audit activities.

4 Authority and Accountability

- 4.1 Internal Audit derives its authority from the Board, the Accountable Officer and Audit Committee. These authorities are established in Standing Orders and Standing Financial Instructions adopted by the Board.
- 4.2 The Minister for Health and Social Services has determined that internal audit will be provided to all health organisations by the NHS Wales Shared Services Partnership (NWSSP). The service provision will be in accordance with the Service Level Agreement agreed by the Shared Services Partnership Committee and in which the organisation has permanent membership.
- 4.3 The Director of Audit & Assurance leads the NWSSP Audit and Assurance Services and after due consultation will assign a named Head of Internal Audit to the organisation. For line management (e.g. individual performance) and professional quality purposes (e.g. compliance with the Global Internal Audit Standards), the Head of Internal Audit reports to the

Director of Audit & Assurance.

- 4.4 The Head of Internal Audit reports on a functional basis to the Accountable Officer and to the Audit Committee on behalf of the Board. Accordingly, the Head of Internal Audit has a direct right of access to the Accountable Officer, the Chair of the Audit Committee and the Chair of the organisation if deemed necessary.
- 4.5 The Audit Committee approves all Internal Audit plans and may review any aspect of its work. The Audit Committee also has regular private meetings with the Head of Internal Audit.
- 4.6 In order to facilitate its assessment of governance within the organisation, Internal Audit is granted access to attend any committee or sub-committee of the Board charged with aspects of governance.

5 Relationships

- 5.1 In terms of normal business the Accountable Officer has determined that the Director of Corporate Governance will be the nominated executive lead for internal audit. Accordingly, the Head of Internal Audit will maintain functional liaison with this officer.
- 5.2 In order to maximise its contribution to the Board's overall system of assurance, Internal Audit will work closely with the organisation's Director of Corporate Governance in planning its work programme.
- 5.3 Co-operative relationships with management enhance the ability of internal audit to achieve its objectives effectively. Audit work will be planned in conjunction with management, particularly in respect of the timing of audit work.
- 5.4 Internal Audit will meet regularly with the external auditor, Audit Wales, to consult on audit plans, discuss matters of mutual interest, discuss common understanding of audit techniques, method and terminology, and to seek opportunities for co-operation in the conduct of audit work. Internal Audit will make available their working files to the external auditor for them to place reliance upon the work of Internal Audit where appropriate.
- 5.5 The Head of Internal Audit will establish a means to gain an overview of other assurance providers' approaches and output as part of the establishment of an integrated assurance framework.
- 5.6 The Head of Internal Audit will take account of key systems being operated by organisation's outside of the remit of the Accountable Officer, or through a shared or joint arrangement, such as the Digital Health and Care Wales, NHS Wales Shared Services Partnership, the Joint Commissioning Committee.
- 5.7 Internal Audit strives to add value to the organisation's processes and help improve its systems and services. To support this Internal Audit will obtain an understanding of the organisation and its activities, encourage two-way communications between internal audit and operational staff, discuss the audit approach and seek feedback on work undertaken.
- 5.8 The Audit Committee may determine that another Committee of the organisation is a more appropriate forum to receive and action individual audit reports. However, the Audit Committee will remain the final reporting line for all our audit and consulting reports.

6 Standards, Ethics, and Performance

- 6.1 Internal Audit must comply with the Global Internal Audit Standards and the UK Public Sector Application Note in discharging its responsibilities.
- 6.2 Internal Audit will operate in accordance with the Service Level Agreement (updated 2024) and associated performance standards agreed with the Audit Committee and the Shared Services Partnership Committee. The Service Level Agreement includes several Key Performance Indicators, and we will agree with each Audit Committee which of these they want reported to them and how often.

7 Scope

- 7.1 The scope of Internal Audit encompasses the examination and evaluation of the adequacy and effectiveness of the organisation's governance, risk management arrangements, system of internal control, and the quality of performance in carrying out assigned responsibilities to achieve the organisation's stated goals and objectives. It includes but is not limited to:
 - reviewing the reliability and integrity of financial and operating information and the means used to identify measure, classify, and report such information.
 - reviewing the systems established to ensure compliance with those policies, plans, procedures, laws, and regulations which could have a significant impact on operations, and reports on whether the organisation is in compliance.
 - reviewing the means of safeguarding assets and, as appropriate, verifying the existence of such assets.
 - reviewing and appraising the economy and efficiency with which resources are employed, this may include benchmarking and sharing of best practice.
 - reviewing operations or programmes to ascertain whether results are consistent with the organisation's objectives and goals and whether the operations or programmes are being carried out as planned.
 - reviewing specific operations at the request of the Audit Committee or management, this may include areas of concern identified in the strategic risk register.
 - monitoring and evaluating the effectiveness of the organisation's risk management arrangements and the overall system of assurance.
 - ensuring effective co-ordination, as appropriate, with external auditors and other regulators. and
 - reviewing the Annual Governance Statement prepared by senior management.
- 7.2 Internal Audit will devote particular attention to any aspects of the risk management, internal control and governance arrangements affected by material changes to the organisation's risk environment.

- 7.3 If the Head of Internal Audit or the Audit Committee consider that the level of audit resources or the Mandate and Charter in any way limit the scope of internal audit or prejudice the ability of internal audit to deliver a service consistent with the definition of internal auditing, they will advise the Accountable Officer and Board accordingly.

8 Approach

- 8.1 To ensure delivery of its scope and objectives in accordance with the Mandate and Charter and Standards, Internal Audit has produced an Audit Manual (called the Quality Manual). The Quality Manual includes arrangements for planning the audit work. These audit planning arrangements are organised into a hierarchy as illustrated in Figure 1.

Figure 1: Audit planning hierarchy

NHS Wales Level	NWSSP overall audit strategy	Arrangements for provision of internal audit services across NHS Wales equirements of the Mandate & Charter
Organisation Level	Entity strategic 3-year audit plan	Entity level medium term audit plan linked to organisational objectives priorities and risk assessment
	Entity annual internal audit plan	Annual internal audit plan detailing audit engagements to be completed in year ahead leading to the overall HIA opinion
Business Unit Level	Assignment plans	Assignment plans detail the scope and objectives for each audit engagement within the annual operational plan

- 8.2 NWSSP Audit & Assurance Services has developed an overall audit strategy which sets out the strategic approach to the delivery of audit services to all health organisations in NHS Wales. The strategy also includes arrangements for securing assurance on the national transaction processing systems including those operated by DHCW and NWSSP on behalf of NHS Wales.
- 8.3 The main purpose of the Strategic 3-year Audit Plan is to enable the Head of Internal Audit to plan over the medium term on how the assurance needs of the organisation will be met as required by the Standards and facilitate:
- the provision to the Accountable Officer and the Audit Committee of an overall opinion each year on the organisation's risk management, control and governance, to support the preparation of the Annual Governance Statement.
 - audit of the organisation's risk management, control and governance through periodic audit plans in a way that affords suitable priority to the organisation's objectives and risks.
 - improvement of the organisation's risk management, control and governance by providing management with constructive recommendations arising from audit work.

- an assessment of audit needs in terms of those audit resources which 'are appropriate, sufficient and effectively deployed to achieve the approved plan'.
 - effective co-operation with external auditors and other review bodies functioning in the organisation. and
 - the allocation of resources between assurance and consulting work.
- 8.4 The Strategic 3-year Audit Plan will be largely based on the Board Assurance Framework where it is sufficiently mature, together with the organisation-wide risk assessment.
- 8.5 An Annual Internal Audit Plan will be prepared each year drawn from the Strategic 3-year Audit Plan and other information and outlining the scope and timing of audit assignments to be completed during the year ahead.
- 8.6 The strategic 3-year and annual internal audit plans shall be prepared to support the audit opinion to the Accountable Officer on the risk management, internal control and governance arrangements within the organisation.
- 8.7 The annual internal audit plan will be developed in discussion with executive management and approved by the Audit Committee on behalf of the Board.
- 8.8 The NWSSP Audit Strategy is expanded in the form of a Quality Manual and a Consulting Protocol which together define the audit approach applied to the provision of internal audit and consulting services.
- 8.9 During the planning of audit assignments, an assignment brief will be prepared for discussion with the nominated operational manager. The brief will contain the proposed scope of the review along with the relevant objectives and risks to be covered. In order to ensure the scope of the review is appropriate it will require agreement by the relevant Executive Director or their nominated lead and will also be copied to the Director of Corporate Governance.

9 Reporting

- 9.1 Internal Audit will report formally to the Audit Committee through the following:
- An annual report will be presented to confirm completion of the audit plan and will include the Head of Internal Audit opinion provided for the Accountable Officer that will support the Annual Governance Statement.
 - The Head of Internal Audit opinion will:
 - a) State the overall adequacy and effectiveness of the organisation's risk management, control and governance processes.
 - b) Disclose any qualification to that opinion, together with the reasons for the qualification.
 - c) Present a summary of the audit work undertaken to formulate the opinion, including reliance placed on work by other assurance bodies.
 - d) Draw attention to any issues Internal Audit judge as being particularly relevant to the preparation of the Annual

Governance Statement.

- e) Compare work undertaken with the work which was planned and summarise performance of the internal audit function against its performance measurement criteria. and
- f) Provide a statement of conformity in terms of compliance with the Public Sector Internal Audit Standards and associated internal quality assurance arrangements.
- For each Audit Committee meeting a progress report will be presented to summarise progress against the plan. The progress report will highlight any slippage and changes in the programme. The findings arising from individual audit reviews will be reported in accordance with Audit Committee requirements; and
- The Audit Committee will be provided with copies of individual audit reports for each assignment undertaken unless the Head of Internal Audit is advised otherwise. The reports will include an action plan on any recommendations for improvement agreed with management including target dates for completion.

9.2 The process for audit reporting is summarised below:

- Following the closure of fieldwork and the resolution of any queries, Internal Audit will discuss findings with operational managers to confirm understanding and shape the reporting stage.
- Operational management will receive discussion draft reports which will include any proposed recommendations for improvement within 10 working days following the discussion of findings. A copy of the draft report will also be provided to the relevant Executive Director.
- The draft report will give an assurance opinion on the area reviewed in line with the criteria at Appendix B (unless it is a consulting review). The draft report will also indicate priority ratings for individual report findings and recommendations.
- Operational management will be required to respond to the draft report in consultation with the relevant Executive Director within 15 working days of issue, identifying actions, identifying staff with responsibility for implementation and the dates by which action will be taken.
- The Head of Internal Audit will seek to resolve any disagreement with management in the clearance of the draft report. However, where the management response is deemed inadequate, or disagreement remains then the matter will be escalated to the Director of Corporate Governance. The Head of Internal Audit may present the draft report to the Audit Committee where the management response is inadequate or where disagreement remains unresolved. The Head of Internal Audit may also escalate this directly to the Audit Committee Chair to ensure that the issues raised in the report are addressed appropriately.
- Reminder correspondence will be issued after the set response date where no management response has been received. Where no reply is received within 5 working days of the reminder, the matter will be escalated to the Director of Corporate Governance. The Head of Internal Audit may present the draft report to the Audit Committee where no

management response is forthcoming.

- Internal Audit issues a Final report to Executive Director within 10 working days of receipt of complete management response. Within this timescale Internal Audit will quality assess the responses, and if necessary, return the responses, requiring them to be strengthened.
- Responses to audit recommendations need to be SMART:
 - Specific
 - Measurable
 - Achievable
 - Relevant / Realistic
 - Timely.
- The relevant Executive Director, Director of Corporate Governance and the Chair of the Audit Committee will be copied into any correspondence.
- The final report will be copied to the Accountable Officer and Director of Corporate Governance and placed on the agenda for the next available Audit Committee.

9.3 Internal Audit will make provision to review the implementation of agreed action within the agreed timescales. However, where there are issues of particular concern provision maybe made for a follow-up review within the same financial year. Issue and clearance of follow up reports shall be as for other assignments referred to above.

9.4 Timescales are to be included in all initial scopes sent prior to commencing an audit.

10 Access and Confidentiality

10.1 Internal Audit shall have the authority to access all the organisation's information, documents, records, assets, personnel and premises that it considers necessary to fulfil its role. This shall extend to the resources of the third parties that provide services on behalf of the organisation.

10.2 All information obtained during a review will be regarded as strictly confidential to the organisation and shall not be divulged to any third party without the prior permission of the Accountable Officer. However, open access is granted to the organisation's external auditors.

10.3 Where there is a request to share information amongst the NHS bodies in Wales, for example to promote good practice and learning, then permission will be sought from the Accountable Officer before any information is shared.

11 Irregularities, Fraud & Corruption

- 11.1 It is the responsibility of management to maintain systems that ensure the organisation's resources are utilised in the manner and on activities intended. This includes the responsibility for the prevention and detection of fraud and other illegal acts.
- 11.2 Internal Audit shall not be relied upon to detect fraud or other irregularities. However, Internal Audit will give due regard to the possibility of fraud and other irregularities in work undertaken. Additionally, Internal Audit shall seek to identify weaknesses in control that could permit fraud or irregularity.
- 11.3 If Internal Audit discovers suspicion or evidence of fraud or irregularity, this will immediately be reported to the organisation's Local Counter Fraud Service (LCFS) in accordance with the organisation's Counter Fraud Policy & Fraud Response Plan and the agreed Internal Audit and Counter Fraud Protocol.

12 Quality Assurance

- 12.1 The work of internal audit is controlled at each level of operation to ensure that a continuously effective level of performance, compliant with the Global Internal Audit Standards, is being achieved.
- 12.2 The Director of Audit & Assurance will establish a quality assurance and improvement programme designed to give assurance through internal and external review that the work of Internal Audit is compliant with the Global Internal Audit Standards and to achieve its objectives. A commentary on compliance against the Standards will be provided in the Annual Audit Report to the Audit Committee.
- 12.3 The Director of Audit & Assurance will monitor the performance of the internal audit provision in terms of meeting the service performance standards set out in the NWSSP Service Level Agreement. The Head of Internal Audit will periodically report service performance to the Audit Committee through the reporting mechanisms outlined in Section 9.

13 Resolving Concerns

- 13.1 NWSSP Audit & Assurance was established for the collective benefit of NHS Wales and as such needs to meet the expectations of client partners. Any questions or concerns about the audit service should be raised initially with the Head of Internal Audit assigned to the organisation. In addition, any matter may be escalated to the Director of Audit & Assurance. NWSSP Audit & Assurance will seek to resolve any issues and find a way forward.
- 13.2 Any formal complaints will be handled in accordance with the NWSSP complaint handling procedure. Where any concerns relate to the conduct of the Director of Audit & Assurance, the NHS organisation will have access to the Managing Director of Shared Services.

14 Review of the Internal Audit Mandate and Charter

14.1 This Internal Audit Mandate and Charter shall be reviewed annually and approved by the Board, taking account of advice from the Audit Committee.

Simon Cookson
Director of Audit & Assurance
NHS Wales Shared Services Partnership
March 2025

Disclaimer

This audit report has been prepared for internal use only. Audit and Assurance Services reports are prepared, in accordance with the agreed audit brief, and the Audit Mandate and Charter as approved by the Audit Committee.

Audit reports are prepared by the staff of the NHS Wales Audit and Assurance Services and addressed to Independent Members or officers including those designated as Accountable Officer. They are prepared for the sole use of the Aneurin Bevan University Health Board and no responsibility is taken by the Audit and Assurance Services Internal Auditors to any director or officer in their individual capacity, or to any third party.

The report is based on the review work undertaken and is not necessarily a complete statement of all weaknesses that exist or potential improvements. Whilst every care has been taken to ensure that the information provided in this report is as accurate as possible, no complete guarantee or warranty can be given regarding the advice and information contained.

Our work does not provide absolute assurance that material errors, loss or fraud do not exist. Responsibility for a sound system of internal controls and the prevention and detection of fraud and other irregularities rests with management of the Health Board. Work performed by internal audit should not be relied upon to identify all strengths and weaknesses in internal controls, or all circumstances of fraud or irregularity. Effective and timely implementation of recommendations is important for the development and maintenance of a reliable internal control system.

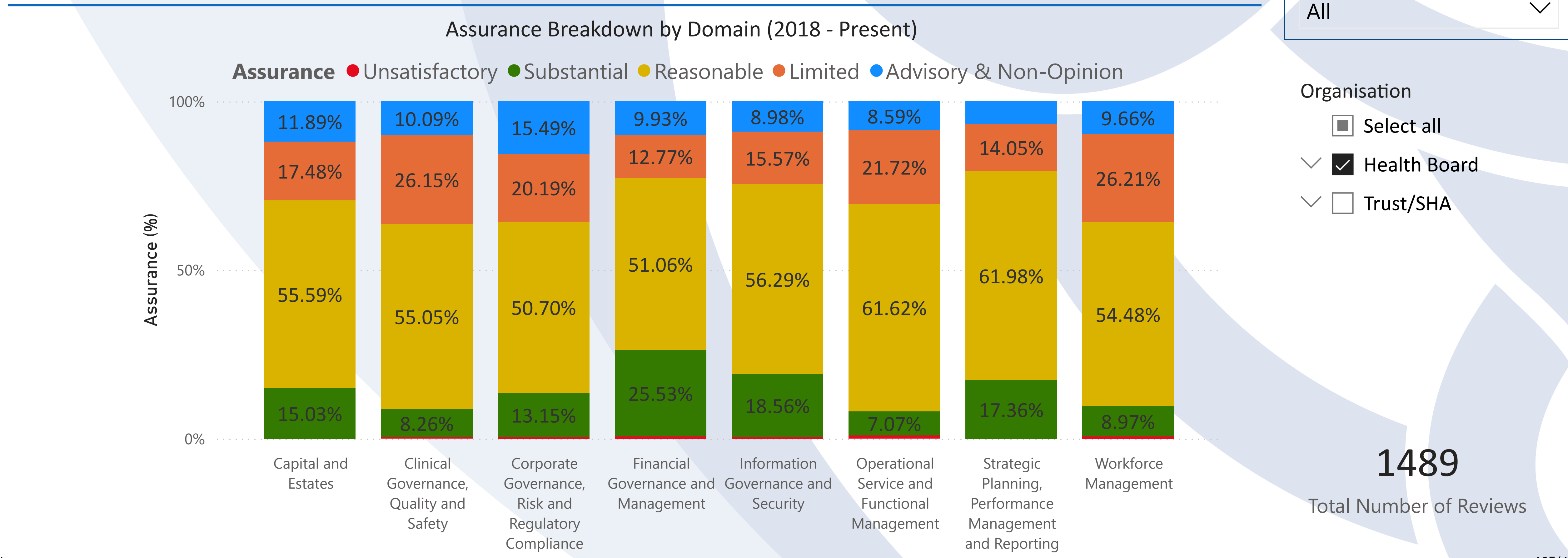
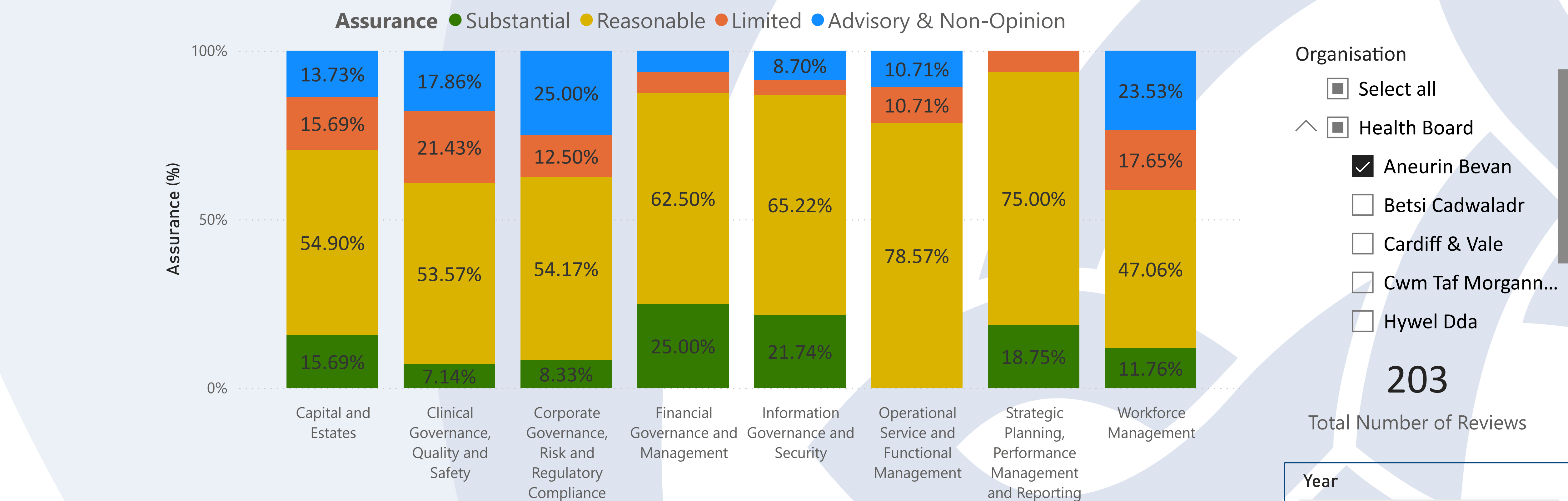
Global Internal Audit Standards



Audit work undertaken by NHS Wales Audit and Assurance Services conforms with the International Standards for the Professional Practice of Internal Auditing and associated Public Sector Internal Audit Standards as validated through the external quality assessment undertaken by the Chartered Institute of Public Finance & Accountancy in April 2023. Please note that new Global Internal Audit Standards apply from April 2025, and all future audit work will comply to these new Standards.

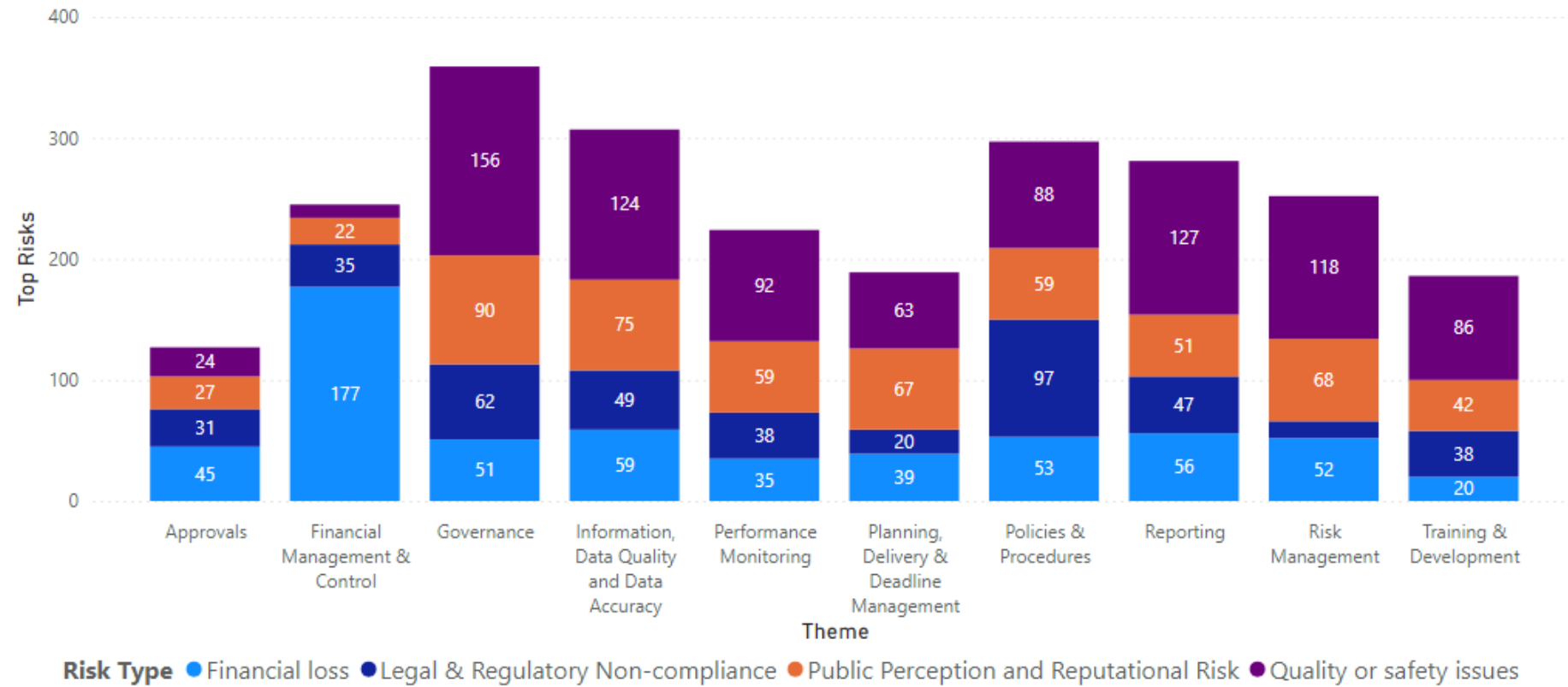
	Year Commencing		2019	2020	2021	2022	2023	2024	2025	Audit Estimations		Audit Areas	Prior Assurance Rating
	2017	2018					2023	2024	2025	2026	2027		
Corporate Governance, risk and regulatory compliance												NOTE: Red ticks relate to red audit title, black tick relate to black audit title	
Annual Quality Statement	✓	✓	✓	✓									
Health and Care Standards	✓	✓	✓	✓									
Partnership Arrangements / Governance	✓								✓	✓	✓	Stakeholder Engagement	
Raising of Staff Concerns	✓									✓		Board Assurance Framework	
Risk Management	✓				✓	✓	✓		✓			Corporate legislative compliance (incl. WHCs)	
WBFGA		✓								✓		ABCI	
Covid Governance (including financial arrangements)				✓									
Covid Governance - Q4				✓									
Follow-up of High Priority Recommendations				✓	✓	✓	✓	✓	✓	✓	✓		
Corporate Governance					✓	✓							
Declarations of Interest, Gifts and Hospitality					✓			✓					
Putting Things Right					✓								
Subject Access Requests									✓				
Monitoring Action Plans						✓							
Divisional Governance Arrangements								✓					
Standing Orders									✓	✓	✓		
Policy Management						✓			✓	✓	✓		2022/23
Standards of Business Conduct									✓	✓	✓		
Strategic Planning, Performance, Management and Reporting													
IMTP Performance	✓						✓	✓		✓	✓	Performance management and monitoring	
Clinical Futures - Service Redesign		✓										Transformation Work	
Clinical Futures - Gateway Review		✓										Strategic Planning / Monitoring	
Clinical Futures - Operational Commissioning			✓									Care Closer to Home	
Service Change Plan 2			✓										
Clinical Futures - Workforce				✓									
Operational Resumption of Services					✓								
Clinical Futures - Care Closer to Home						✓							
Mental Health Transformation						✓							
Performance Management Framework								✓			✓		
Integrated Wellbeing Networks						✓							
Strategic Planning									✓				
Regional Governance							✓		✓				
Data Quality									✓				
Research and Development													
Financial Governance and Management													
Budgetary Control	✓	✓	✓						✓				
External Commissioning	✓											✓ Losses and special payments	
Project Management													
Contract Management	✓							✓				✓ Salary sacrifice	
Non-pay Expenditure	✓											✓ Procurement	
Sustainable Financial Management	✓				✓	✓	✓	✓					
Welsh Risk Pool / Legal	✓								✓	✓	✓		
Management of Balance Sheet Assets		✓											
Business Case Scrutiny Arrangements			✓										
Charitable Funds			✓		✓						✓		2019/20
Pay Incentives			✓										
Patients' Property and Monies			✓										
Procurement			✓								✓	Included above	2019/20
Clinical Negligence Costs					✓								
Decarbonisation						✓							
Asset Management							✓			✓			
Financial Controls							✓						
RPB							✓				✓		2023/24
Clinical Governance, Quality and Safety													
Infection Control	✓			✓		✓				✓	✓	Patient experience	2021/22
Medicines Homecare	✓												
Clinical Audit		✓	✓			✓			✓				2023/24
Falls Prevention		✓			✓				✓				
Nurse Staffing Levels		✓											
Royal Gwent and Nevill Hall Wards		✓											
HCSW Delegation Framework			✓										
Patient Experience			✓								✓	Included above	
Reducing Nosocomial Transmission				✓									
Safeguarding				✓			✓		✓				
CHC - MH & LD (CHC Children in 2022)					✓	✓							
Flu Immunisation					✓								
Mental Capacity Act					✓					✓			
Dementia Services						✓							
Quality Framework						✓							
Medical Equipment and Devices	✓				✓		✓	✓			✓		
Cancer Referral Rates									✓				
ESD - Stroke							✓						
Clinical Coding							✓				✓		
Maternity Services							✓	✓					
EoL								✓					
Information Governance and Security										✓	✓	Software Systems (TBC)	
IT Service Management	✓		✓						✓		✓		
Cyber Security		✓				✓							
Digitalisation of Medical Records		✓											
Clinical Futures - IT Workstream		✓											
GDPR		✓									✓		
Use of Digital Technology, Fit for the Future		✓											
IT Disaster Recovery			✓										
Freedom of Information			✓										
Stakeholder Engagement							✓					Included at Corporate Governance, risk and regulatory compliance section above	
Infrastructure							✓						
LINC							✓						
IT Risk Assessment				✓									
WCCIS				✓									
NIS Directive					✓								
Radiology IT System					✓								
Benefits of Digital Solutions						✓							
Records Management (last reviewed within H&CS)						✓	✓				✓		2024/25
Management of the RPA						✓			✓	✓	✓		
IT Strategy													
Shadow IT									✓				
WICIS									✓				
LIMS / diagnostic review (lessons learnt)									✓	✓	✓		
Management of AMAT									✓	✓	✓		
Analytics								✓					
Technical Continuity								✓					
Electronic Document and Records Management Solution								✓					
Digital Inclusion											✓		
Operational Service and Functional Management										✓	✓	Divisional Reviews (TBC)	
Primary Care	✓					✓					✓		
Business Continuity Planning	✓						✓		✓				
Scheduled Care Diagnostics (Radiology)	✓												
Facilities Stock Review	✓												
Fire Safety	✓		✓										2019/20
Laundry	✓												
Lease Cars	✓												
Primary Care	✓												
Public Health	✓								✓				
Unscheduled Care	✓	✓											
CRC Energy Efficiency		✓	✓										
Discharge		✓	✓			✓			✓				2022/23
Environmental Sustainability		✓	✓	✓									
Divisional Review - Scheduled Care			✓	✓									
Health and Safety	✓		✓					✓					2019/20
Outpatients			✓										
Theatres			✓				✓						
Theatres - WHO Checklist			✓										
Emergency Pressures Escalation Policy			✓										
Mass Vaccination Programme				✓									
Mental Health and Learning Disabilities Divisional Review				✓				✓					
Partnership Governance - Trace and Protect				✓									
Refugees and Asylum							✓						
Datix					✓								
Facilities - Care after Death													
Transport (Flow Centre)				✓	✓		✓						
Pathology					✓								
Urgent Care System						✓			✓	✓	✓		
Neighbourhood Care Networks (last completed 2016)						✓							
Service Readiness									✓				
Benefits Realisation									✓				
Divisional Review - Facilities		✓					✓	✓					2023/24
Directorate Review - CAMHS									✓				
Directorate Review - ENT / Ophthalmology									✓				

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Audit Areas	Rating
Planned delivery									✓				
Cataracts									✓				
Privatisation of work							✓	✓	✓				
Waiting List								✓	✓				
Medical E-rostering								✓	✓				
Health Board Managed Practices									✓				
Workforce Management													
Overseas Nursing	✓								✓	✓		Recruitment Selection Process	
Staff Performance Management and Appraisals	✓		✓				✓						
Sickness Absence Management	✓												
Agency and Locum Caps	✓					✓					✓		
Equality, Diversity and Inclusion		✓											
Flexible Working		✓					✓						
Organisational Development and Training		✓											
Clinical Futures - Staff Engagement			✓										
Job Planning			✓					✓		✓			2024/25
Welsh Language Standards			✓								✓		
Recruitment Checks				✓					✓	✓			
Staff Experience / Wellbeing				✓				✓	✓				
Occupational Health					✓				✓				
Agile Delivery						✓							
Review of Bank Office (last completed 2016)						✓							
Job Evaluation Process						✓							
Professional Staff Registration									✓				
Speaking up Safely								✓	✓				2024/25
WHC - Non-pay Agreement									✓				
Training									✓	✓			
Capital / SSU Team													
Capital Systems			✓					✓			✓	✓ Cyclical Review of Capital Systems	
Capital Projects:										✓	✓ Capital Projects - TBD		
Tredegar HWBC					✓	✓							
Major Capital Projects [HSDU]				✓		✓	✓						
YYF Breast Care Services						✓							
NHH Regional Satellite Radiotherapy Centre							✓						
Bevan HWBC													2023/24
Newport East HWBC													2023/24
Central Decontamination Unit									✓				
RAAC								✓	✓	✓			
Estates Assurance:											✓ Estates Assurance - TBD		
Estates Condition							✓						2023/24
Waste Management					✓								
HV Infrastructure				✓									
Space Utilisation									✓				
Management of Contractors			✓										2019/20
Management of Contractors - Follow Up													
Decarbonisation						✓	✓						2023/24
Energy Management								✓					
Asbestos									✓	✓			
Grange University Hospital Integrated Audit Plan:													
Follow Up/Validation of Management Action			✓	✓	✓								
Governance			✓										
Risk and Contingency Management			✓										
Financial			✓	✓	✓								
Technical			✓	✓	✓								
Stakeholder Engagement			✓										
Quality				✓	✓								
Equipment				✓									
Site Management Arrangements				✓									
Commissioning and Handover				✓									
Non- Opinion Assurance			✓	✓	✓								
Final Account						✓							



NHS Wales Organisations: Number of Recommendations by Risks and Themes

** Only audits that have had final sign-off will be included on this page.



Health Board Managed Practices

Final Internal Audit Report

2024/25

Aneurin Bevan University Health Board



Reasonable Assurance

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At a Glance - GMS Contracts	3
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Review Reference

Fieldwork

Executive Sign Off

Audit Committee

Executive Lead

ABU-2425-27

February - March 2025

Leanne Watkins, Chief Operating Officer

May 2025

Leanne Watkins, Chief Operating Officer



Partneriaeth
Cydwasaethau
Gwasanaethau Archwilio a Sicrwydd
Shared Services
Partnership
Audit and Assurance Services



Executive Summary

Purpose

The review examined the letting of a group of five Health Board managed GP practices that were let to a single partnership in early 2024 (one that commenced operation from 1 January 2024 and four from 1 April 2024) and which were subsequently returned to Aneurin Bevan University Health Board’s (the ‘Health Board’) management in 2025. The review was to ensure that the Health Board had an appropriate process in place to assist in managing the return of a Managed Practice to Independent Contractor status, including the application and shortlisting processes.

However, the audit did not specifically assess the operational management of the contract (for example, any complaints / concerns raised), other than in accordance with the audit objectives below. Similarly, this audit does not assess the adequacy of the national regulatory/ legislative requirements.

Overview

The audit provides **reasonable** assurance that general compliance was observed against the Welsh Government legislative/ regulatory requirements, the Welsh Health Circular (2006) 063 (General Medical Services Practice Vacancies – A Guide to Good Practice) and the local Vacant Practice Policy at the sample tested.

Recognising this, management focus should be on strengthening arrangements and ensuring adherence to internal policies / processes, in particular:

- The process could benefit from a more detailed standard operating procedure – reflecting on the findings of this audit.
- A record should be maintained to justify where reduced timescales are allowed for applications at lettings.
- The quoracy requirements for interview panels should be reviewed to ensure sufficient and consistent stakeholder representation.

Full details of matters arising are detailed within the Findings & Agreed Action Plan.

We also identified further recommendations to enhance the existing controls, but these did not impact on adherence to the Regulations, Welsh Health Circular and/or Vacant Practice Policy etc. Further details of these have been provided to the Health Board.

Scope & Assurance Summary

Objectives The objectives and associated assurance ratings are not necessarily given equal weighting when formulating the overall audit opinion.		Related Findings	Assurance
1	An appropriate vacancy application process was in place, which was documented and adhered to.	1	Reasonable
2	The GP partnership shortlisting process was adhered to and completed in a timely manner.	2,3	Reasonable
3	Welsh Government legislative and regulatory requirements were incorporated, where applicable.		Substantial
4	Any applicable consultation that was required was completed appropriately and in a timely manner.	3	Reasonable
5	Contract awards were made to the partnership concerned in-line with policy and any national requirements.		Substantial

Management Actions

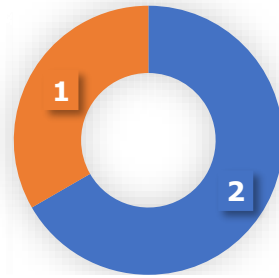


High Priority



Medium Priority

Themes



■ Governance

■ Policies & Procedures

Risk Types

Financial Loss

Public Perception & Reputational Risk

At a Glance - GMS Contracts

Background

Welsh Health Circular (2006) *063 General Medical Services Practice Vacancies – A Guide to Good Practice* provides guidance to Health Boards on recruiting General Practitioners and the procedures they should follow for managing vacant practices. The Vacant Practice Policy (VPP) produced for the Health Board (based on WHC (2006) 063) outlines procedures for the Vacant Practice Panel's recommendations to the Executive Committee and reporting to the Board if supported.

Applicants were invited to apply for the following practices:

- Tredegar (three applicants),
- Brynmawr (two applicants),
- Blaenavon (one applicant),
- Aberbeeg (one applicant), and
- Bryntirion (one applicant).

The above appointments were facilitated via two letting exercises, firstly the letting of the Tredegar Health Centre alone and secondly the letting of the four remaining practices in a combined process.

The GMS contract for Tredegar Health Centre appointment was ratified by the Executive Committee on 30 October 2023. The same partnership was also awarded contracts for Aberbeeg Medical Practice, Brynmawr Medical Practice, Bryntirion Surgery and Blaenavon Medical Practice - as ratified by the Executive Team on 21 December 2023.

In late summer 2024, Brynmawr Medical Practice staff raised operational concerns directly to the Health Board. Despite assurances from the appointed partnership's Central Operations Manager, issues persisted, including concerns around unpaid invoices to locums and suppliers, as well as HMRC/NHS Pension contributions. Some of these issues were raised at the scheduled Assurance Meeting on 23 September 2024. In October 2024, local Councillors also informed the Health Board of additional concerns from staff and patients.

On 7 October 2024, the partnership was formally informed of the Health Board's intention to implement enhanced monitoring in light of the concerns raised and the Health Board then met with the partnership on 28 October 2024.

On 24 January 2025, following a meeting with the Health Board's management, the partnership announced their decision to resign from the GMS Contract at Brynmawr Medical Practice.

Given the above, for the purpose of independent scrutiny, the Health Board commissioned this internal audit of the Vacant Practice Policy and its application to these contracts.

Findings & Agreed Action Plan

Objective 1: An appropriate vacancy application process was in place, which was documented and adhered to.

Reasonable

Overview / Summary of Observations

The Health Board has a Vacant Practice Policy (the 'Policy') derived from Welsh Health Circular WHC-2006-063 which sets out the steps that should be followed on the letting of a practice, including those previously under a period of Health Board management.

Whilst the Vacant Practice Policy (the 'Policy') covers this area, we noted a lack of an accompanying standard operating procedure (SOP) that sets out the individual steps of the end-to-end process for letting vacant practices (**MA2**).

Key Findings		Risk & Impact	Agreed Management Action
1	Standard operating procedure for letting a managed practice Whilst there is a vacant practice policy that covers this area, the Health Board did not have a standard operating procedure (SOP) that set out the steps to be followed for the letting of vacant practices. The SOP should provide further clarity on the expected contract letting arrangements of both vacant and Health Board managed practices – complimenting both the Welsh Health Circular and Vacant Practice Policy.	Risk that key steps in the process of letting a GMS GP contract may be missed.	Agreed Action: The Division accept this recommendation regarding the development of Standard Operating Procedure (SOP) for the letting of all vacant practices, including directly managed practices, to complement the existing vacant practice policy. We recognise the importance of having a clearly defined process to ensure consistency, transparency, and compliance with relevant regulations. The Division would support a recommendation to Welsh Government to review the WHC 2006, to update the guidance to incorporate the latest regulations and guidance including The Health Services (Provider Selection Regime) (Wales) Regulations 2025.
			Expected Evidence of Implementation: Development of SOP A comprehensive SOP will be developed to outline the procedural steps for contract letting of both vacant and Health Board-managed practices.
		Medium Priority	Officer: Head of Primary Care Target Implementation Date: 31 July 2025
Theme: Policies & Procedures		Control Operation	

Overview / Summary of Observations

All applicants who submitted a complete Business Case were considered for the interview process, with no limit on the number taken through by the Health Board.

Applications were examined in the audit for the Tredegar (three applicants), Brynmawr (two applicants) and Blaenavon (one applicant) practice lets, the following was observed:

- An application template is provided along with the advertising material, and we noted all applications received were submitted on this form.
- The Policy recommends a timeline for the various steps of the process. The actual interval between the advertisement for the let of the Tredegar Health Centre and deadline for applications was four weeks versus a policy interval of six and for the let of the other four managed practices (see later) the interval was only three weeks – no rationale for this approach was provided **MA 2**.
- Contract award decisions were made based on the data presented in applicant business cases.
- Application assessments involved both the scoring of submitted business cases and face to face interviews against weighted scoring models. As a principle, these processes depend upon objectivity and all applicants being treated equally (e.g. being provided with the same practice information and data, asked for the same information about themselves, and asked the same questions at interview).
- Interview panel composition is prescribed in the Health Board's Policy where stakeholder representation is specified – including the quoracy requirements. Whilst not required for quoracy, Neighbourhood Care Network representation and/or Llais representation was missing at interview panels (**MA3**).
- The interview weighted scoring model was based upon the evaluation of theme scores rather than the scoring of the individual interview questions. We were advised that the interview scoring was collectively done by the panel through discussion and attributed to the themes rather than individual questions.
- Key financial checks were undertaken by the finance business partner as part of the process.

Key Findings		Risk & Impact	Agreed Management Action
2	Application submission deadlines The Health Board's Vacant Practice Policy outlines: - Advertisement of Vacant/ Managed practices – by week 5 - Closing date expression of advert – by week 11 We noted an application submission deadline that allowed a shorter interval (three/ four weeks) for applications for the practice lettings rather than the six weeks recommended above.	Risk that would-be practice letting applications are not received before the deadline and Health Board choice of contract provider is reduced.	Agreed Action: The Division acknowledges the finding regarding the variance in application submission deadlines for vacant practice lettings. While the existing Vacant Practice Policy outlines a recommended time period for applications, some cases have permitted a shorter interval as was the case with Tredegar Health Centre to allow for alignment with the opening of the new Health and Wellbeing Centre in order to minimise disruption for both staff and patients. The Health Services (Provider Selection Regime) (Wales) Regulations 2025 were laid in February 2025, which supersede existing arrangements for the letting of vacant practices. The Division will review the Vacant Practice Policy and amend to reflect these Regulations. Any future letting will be in accordance with these Regulations and will be managed in conjunction with NHS Wales Shared Services Partnership Procurement.
	Theme: Governance	Medium Priority	Expected Evidence of Implementation: - Amendment of existing Vacant Practice Policy to reflect 2025 Regulations. - SOP (objective 1) will reflect the 2025 Regulations. - Adherence to The Health Services (Provider Selection Regime) (Wales) Regulations 2025 for all future vacant practice lettings demonstrated through relevant procurement documentation, transparent record keeping and reporting.
		Control Operation	Officer: Head of Primary Care Target Implementation Date: 31 July 2025
3	Stakeholders absent from interview panel Whilst not required at the interview panel to meet quoracy requirements, the following was noted: Neighbourhood Care Network representation was missing from the interview panel for the Aberbeeg, Brynmawr, Bryntirion and Blaenavon practice letting.	Risk that stakeholder views are overlooked, and decisions are made without their input.	Agreed Action: The Division acknowledges the audit finding regarding the absence of certain stakeholders from the interview panels for practice lettings. While their attendance was not a requirement to meet quoracy, we recognise the potential value of their participation in ensuring a balanced and comprehensive evaluation process.

Both Neighbourhood Care Network Lead and Llais representatives were not in attendance for the Tredegar practice letting.		Whilst we endeavour to ensure full stakeholder participation in interview panels, attendance can be subject to external factors such as availability and unforeseen circumstances, this is particularly evident with organisations outside of the Health Board i.e. Llais. In cases where key stakeholders are unable to attend, the Health Board remains committed to maintaining a fair and objective selection process.
		Expected Evidence of Implementation: - The development of the SOP (objective 1) will provide a clear communication strategy and clarify the requirement for stakeholder representation at panels - Contingency measures will be strengthened, such as pre-panel input from absent stakeholders or post-panel reviews, to ensure their perspectives are considered. - The Division will maintain clear documentation should absences occur, outlining any impact assessment to ensure transparency.
Theme: Governance	Medium Priority	Officer: Head of Primary Care Target Implementation Date: 31 July 2025
	Control Operation	

Objective 3: Welsh Government legislative and regulatory requirements were incorporated, where applicable.

Substantial

Overview / Summary of Observations

As previously stated, the Health Board had a Vacant Practice Policy derived from Welsh Health Circular WHC-2006-063 which set out the steps that should be followed on the letting of a practice, including those previously under a period of Health Board management. We undertook a review of these documents but did not identify any key elements of the Welsh Health Circular omitted from the scope of the Health Board policy. Compliance against these requirements is commented upon within the other relevant sections of this report.

Since a recent revision of the legislation, practices are now let to successful applicants under *The Health Services (Provider Selection Regime) (Wales) Regulations 2025*.

Objective 4: Any applicable consultation that was required was completed appropriately and in a timely manner.

Reasonable

Overview / Summary of Observations

Due to the operational requirements of running GMS practices in-house, the Health Board looks for opportunities to revert its Managed GMS Practices to Independent Contractor status where possible. Following acknowledgement and early engagement with interested parties (including neighbouring practices and local elected members), a Vacant Practice Panel was convened in June 2023, made up as follows:

- Divisional Director / Assistant Divisional Director Primary Care & Community/ General Manager
- Deputy Medical Director (General Practice) / Assistant Deputy Medical Director / Primary Care Clinical Director
- Head of Primary Care / Deputy Head of Primary Care
- Senior Primary Care Manager
- Business Partner Accountant/Decision Support Accountant
- LMC representative
- Llais representative
- Additional representatives may be invited as per local agreement and decision.

From this consultation and an indication of buoyancy in the market at that time, it was decided that the five managed practices would be returned to independent management.

The same range of internal and external stakeholders were involved in interviews of the applicant and then the Local Medical Committee, Llais (national, independent body working with health and social care services), local practices, local authorities, MSs and MPs, and pharmacies were included in communications of the outcomes of the practice letting applications. Excepting the issue raised in **MA3** above, the requirements relating to stakeholder consultation were seen to have operated as intended.

Objective 5: Contract awards were made in-line with policy and any national requirements.

Substantial

Overview / Summary of Observations

Contracts for all five practices previously managed by the Health Board were taken on by the appointed partnership in early 2024 and were ended in early 2025 by the partnership. Although these practice contracts were not of a specified duration (i.e. open-ended), there was an expectation that the arrangements were intended to be longer term, and typically contracts are ended by GP partnerships because of retirement, illness or resignations - but generally after some years.

Previous sections of this report have examined aspects of the letting process which were designed around the key elements of the Welsh Health Circular based Health Board Vacant Practice Policy (the 'Policy'). Whilst these have highlighted several observations and minor anomalies, we did not identify any breaches or non-compliance with Policy.

There was a comprehensive set of GP practice performance monitoring activities that take place on an ongoing basis. The following reports and meeting minutes covering the practices under review were observed:

- New practice assurance meetings – start up and transition period.
- Access Group quarterly meeting – included a review of access achievement in the period being examined.
- Enhanced monitoring meeting minutes – agendas vary according to issues being dealt with.
- Contract and governance visit reports - assurance reports assessed and reported on a selection of the 12 Health & Care Quality Standards (typically between 3 and 7 are examined in each assessment) using a ratings scale of No/limited/reasonable/substantial assurance.

Appendix A

Assurance Opinion

	Substantial	Few matters require attention and are compliance or advisory in nature. Low impact on residual risk exposure.
	Reasonable	Some matters require management attention in control design or compliance. Low to moderate impact on residual risk exposure until resolved.
	Limited	More significant matters require management attention. Moderate impact on residual risk exposure until resolved.
	Unsatisfactory	Action is required to address the whole control framework in this area. High impact on residual risk exposure until resolved.
	Advisory	Given to reviews and support provided to management which form part of the internal audit plan, to which the assurance definitions are not appropriate. These reviews are still relevant to the evidence base upon which the overall opinion is formed.

Prioritisation of Findings

Priority	Explanation
High	Significant risk to achievement of a system objective OR evidence present of material loss, error, or misstatement. Poor system design OR widespread non-compliance.
Medium	Some risk to achievement of a system objective. Minor weakness in system design OR limited non-compliance.

Website: [Audit & Assurance Services - NHS Wales Shared Services Partnership](#)

Disclaimer

This audit report has been prepared for internal use only. Audit and Assurance Services reports are prepared, in accordance with the agreed audit brief, and the Audit Charter as approved by the Audit Committee.

Audit reports are prepared by the staff of the NHS Wales Audit and Assurance Services and addressed to Independent Members or officers including those designated as Accountable Officer. They are prepared for the sole use of the Aneurin Bevan University Health Board and no responsibility is taken by the Audit and Assurance Services Internal Auditors to any director or officer in their individual capacity, or to any third party.

The report is based on the review work undertaken and is not necessarily a complete statement of all weaknesses that exist or potential improvements. Whilst every care has been taken to ensure that the information provided in this report is as accurate as possible, no complete guarantee or warranty can be given with regard to the advice and information contained.

Our work does not provide absolute assurance that material errors, loss or fraud do not exist. Responsibility for a sound system of internal controls and the prevention and detection of fraud and other irregularities rests with management of the Aneurin Bevan University Health Board. Work performed by internal audit should not be relied upon to identify all strengths and weaknesses in internal controls, or all circumstances of fraud or irregularity. Effective and timely implementation of recommendations is important for the development and maintenance of a reliable internal control system.

Public Sector Internal Audit Standards

Audit work undertaken by NHS Wales Audit and Assurance Services conforms with the International Standards for the Professional Practice of Internal Auditing and associated Public Sector Internal Audit Standards as validated through the external quality assessment undertaken by the Chartered Institute of Public Finance & Accountancy in April 2023.



**CYFARFOD BWRDD IECHYD PRIFYSGOLN
ANEURIN BEVAN
ANEURIN BEVAN UNIVERSITY HEALTH BOARD
MEETING**

DYDDIAD Y CYFARFOD: DATE OF MEETING:	20 May 2025
CYFARFOD O: MEETING OF:	Audit, Risk and Assurance Committee
TEITL YR ADRODDIAD: TITLE OF REPORT:	Audit, Risk and Assurance - Committee Forward Work Plan 2025/26
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Director of Corporate Governance
SWYDDOG ADRODD: REPORTING OFFICER:	Head of Corporate Governance/Head of Risk and Assurance.

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

The Audit, Risk and Assurance Committee is asked to consider and approve the draft Committee Forward Work Plan (Appendix 1). The Forward Work Plan has been developed with due regard to recommendations arising from the Committee's 2025/26 Self- Assessment, to support the Committee in its ability to:

- Fulfil its Terms of Reference;
- Seek assurance and provide scrutiny on behalf of the Board, in relation to those items identified within the Committees terms of reference, and,
- Seek assurance that governance, risk, and assurance arrangements are in place and working well.

Cefndir / Background

In line with good governance practice, a Forward Work Plan has been developed to ensure that statutory requirements and key items of Committee business are appropriately scheduled throughout the year. The Work Plan serves as a proactive tool to inform, anticipate and guide Committee business, thereby supporting the agenda setting process.

Asesiad / Assessment

The Forward Work Programme is intended to support the Committee in overseeing and managing its programme of business. It outlines the scheduled timing of report submissions, highlights any deferred items, and records new requests for reports. The Plan also enables the Committee to monitor progress and review its workload at each meeting.

Between April and May there have been the following updates and/or changes made to the Forward Work Plan:

Items deferred on the Forward Work Programme:

- Review of Compliance with Welsh Health Circulars (WHCs)

Additions to the Forward Work Programme:

- No additions to note.

Argymhelliad / Recommendation

The Committee is asked to:

- **APPROVE** the Forward Work Plan; and
- **NOTE** that it will be presented at each future Committee meeting for ongoing oversight.

Amcanion: (rhaid cwblhau)

Objectives: (must be completed)

Cyfeirnod Cofrestr Risg Corfforaethol a Sgôr Cyfredol: Corporate Risk Register Reference and Score:	The monitoring and reporting of committee business is a key element of the Health Boards assurance framework
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	Governance, Leadership and Accountability Choose an item. Choose an item. Choose an item.
Blaenoriaethau CTCI IMTP Priorities Link to IMTP	Choose an item. Choose an item. The Committee Forward Programme monitors delivery of objectives.
Galluogwyr allweddol o fewn y CTCI Key Enablers within the IMTP	Governance
Amcanion cydraddoldeb strategol Strategic Equality Objectives	Not Applicable Choose an item. Choose an item. Choose an item.

**Gwybodaeth Ychwanegol:
Further Information:**

Ar sail tystiolaeth:
Evidence Base:

N/A

Rhestr Termau:
Glossary of Terms:

N/A

Partïon / Pwyllgorau â
ymgynhorwyd ymlaen llaw y
Cyfarfod Bwrdd Iechyd Prifysgol:
Parties / Committees consulted
prior to University Health Board:

N/A

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

Resource Assessment:

A resource assessment is required to support decision making by the Board and/or Executive Committee, including: policy and strategy development and implementation plans; investment and/or disinvestment opportunities; and service change proposals. Please confirm you have completed the following:

• **Workforce**

Not Applicable

• **Service Activity & Performance**

Not Applicable

• **Financial**

Not Applicable

**Asesiad Effaith
Cydraddoldeb
Equality Impact
Assessment (EIA) completed**

No does not meet requirements

An EQIA is required whenever we are developing a policy, strategy, strategic implementation plan or a proposal for a new service or service change. If you require advice on whether an EQIA is required contact ABB.EDI@wales.nhs.uk

**Deddf Llesiant
Cenedlaethau'r Dyfodol – 5
ffordd o weithio
Well Being of Future
Generations Act – 5 ways
of working**

Not Applicable
Choose an item.

<https://futuregenerations.wales/about-us/future-generations-act/>

ANNUAL PROGRAMME OF BUSINESS 2025/26

AUDIT, RISK & ASSURANCE COMMITTEE

This Annual Programme of Business has been developed with reference to:

- Aneurin Bevan University Health Board's Standing Orders;
- The discharge of the business needs of the individual Directorates
- The Health Board's Integrated Medium-Term Plan and related Annual Delivery Plan;
- The outcomes of the Committee self-assessment for 2024 and the Structured Assessment 2024 recommendations
- The Board's Assurance Framework and Corporate Risk Register; and
- Key statutory, national, and best practice requirements and reporting arrangements.

Area of Focus as per Standing Orders:

The Audit, Risk and Assurance Committee will provide assurance to the Board of the effectiveness of its arrangements for handling reservations and delegations.

The Committee has been established to enable the scrutiny and review of matters related to audit, financial accounting, assurance, and risk management, to a level of depth and detail not possible in Board meetings.

The purpose of the Committee is to support the Board and Accounting Officer by reviewing the comprehensiveness and reliability of assurances on governance, risk management, the control environment and the integrity of financial statements and the annual report by:

- independently monitoring, reviewing, and reporting to the Board on the processes of governance, risk management and internal control in accordance with the standards of good governance determined for the NHS in Wales;
- advising the Board and the Accountable Officer on where, and how, its system of assurance may be strengthened and developed further;
- Maintaining an appropriate financial focus demonstrated through robust financial reporting and maintenance of sound systems of internal control; and
- Working with the other committees of the Board to provide assurance that governance and risk management arrangements are adequate and part of an embedded Board Assurance Framework that is 'fit for purpose'.

Matter to be Considered by Committee	Frequency	Responsible Lead	Scheduled Committee Dates 2025/26						
			Quarter 1			Quarter 2	Quarter 3		Quarter 4
			22 nd April 2025	20 th May Draft Accounts	24 th June Final Accounts	4 th Sept 2025	21 st Oct 2025	16 th Dec 2025	12 th Feb 2026
Preliminary Matters									
Attendance and Apologies	SI	Chair	√	√	√	√	√	√	√
Declarations of Interest		All Members	√	√	√	√	√	√	√
Minutes of the Previous Meeting		Chair	√	√	√	√	√	√	√
Action Log and Matters Arising		Chair	√	√	√	√	√	√	√
Committee Requirements as set out in Standing Orders									
Development of Committee Annual Programme of Business 2025/26	An	Chair & DofCG							√
Review of Committee Programme of Business	SI	Chair	√	√	√	√	√	√	
Annual Review of Committee Effectiveness 2024/25 to include a review of the Terms of Reference	An	Chair & DofCG	√						
Committee Annual Report 204/25	An	Chair & DofCG	√ (Draft)		√				
Corporate Governance, Risk & Assurance									
Review and report upon the adequacy of arrangements for declaring, registering, and handling interests	An	DofCG					√	√	
Receive full report of all offers of gifts and hospitality as declared	An	DofCG	√					√	
Compliance with Ministerial Directions	BI	DofCG	√					√	
Compliance with Welsh Health Circulars (WHCs)	BI	DofCG	√D	√D	√			√	
Review of Standing Orders, Standing Financial Instructions, and Scheme of Delegation	An	DofCG							√
Compliance with regulatory requirements	An	DofCG							√
Audit Recommendations Tracking Report	Qu	DofCG		√Q4		√Q1	√Q2		√Q3
Annual Review of Risk Management Framework	An	DofCG	√						
Report on the Implementation of the Risk Management Framework	BI	DofCG					√		√
Committee Risk & Assurance Report	SI	DofCG	√		√	√	√	√	

Matter to be Considered by Committee	Frequency	Responsible Lead	Scheduled Committee Dates 2025/26						
			Quarter 1			Quarter 2	Quarter 3		Quarter 4
			22 nd April 2025	20 th May <i>Draft Accounts</i>	24 th June <i>Final Accounts</i>	4 th Sept 2025	21 st Oct 2025	16 th Dec 2025	12 th Feb 2026
Financial Governance and Control									
Report of the use of Single Tender Action	SI	DofF&P	√			√	√	√	
Report of Losses and Special Payments (<i>May report will be included in the Accounts</i>)	BI	DofF&P	√	√			√		
To Approve Reviewed and Updated Financial Control Procedures	Ad hoc	DofF&P	√		√	√	√	√	
Annual Report and Accounts									
To consider the approach and timelines for the Annual Report and Accounts	An	DofF&P & DofCG						√	
Review the Health Board's Annual Report (Overview & Performance Section) (Part 1)	An	DofCG		√	√				
Review Draft/Final Accountability Report, including Annual Governance Statement (Part 2)	An	DofCG		√	√				
Review Draft/Final Annual Accounts and Financial Statements (Part 3)	An	DofF&P		√	√				
Audit Enquiries to those charged with Governance and Management	An	DofF&P		√					
Audit Wales, Audit of Accounts (ISA 260) including Letter of Representation	An	AW			√				
Final Annual Accounts Memorandum	An	AW					√		
Receive the Annual Head of Internal Audit Opinion (including Specialised)	An	HofIA			√				
Agree a recommendation to the Board in respect of the audited annual report and accounts	An	Chair			√				
Counter-Fraud									
Review of the Counter Fraud, Bribery and Corruption Policy (<i>Feb 2026</i>)	3-Yearly	DofF&P	-	-	-	-	-	-	√
Receive the Counter Fraud Annual Report	An	HofCF		√					
Agree the Counter Fraud Annual Workplan	An	HofCF							√
Receive a Quarterly Report on Counter Fraud Activity	Quarterly	HofCF				√		√	

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			22 nd April 2025	20 th May Draft Accounts	24 th June Final Accounts	4 th Sept 2025	21 st Oct 2025	16 th Dec 2025	12 th Feb 2026
Agree the Counter Fraud Functional Standard Return Declaration	An	HofCF			√				
Receive the Post Payment Verification Annual Report, including, the Annual Workplan for 2025-26	An	PPV Manager			√				
Receive a Mid-Year update in respect of Post-Payment Verification Activity	An	PPV Manager					√		
Clinical Audit									
Receive the Clinical Audit Activity Annual Report 2024 - 2025	An	Medical Director			√				
Agree the Clinical Audit Plan 2025 - 2026	An	Medical Director			√				
Mid-year Report on the delivery of the Clinical Audit Plan	An	Medical Director					√		
Internal Audit (Including Specialised Audit) – NWSSP Audit & Assurance Services									
Agree the Internal Audit Annual Workplan	An	HofIA	√						
Receive Internal Audit Progress Reports	SI	HofIA	√	√	√	√	√	√	√
Receive Internal Audit Review Reports, reviewing the adequacy of executive & management responses to any issues identified, ensuring that they are acted upon	SI	HofIA	√	√	√	√	√	√	√
Review and approve Internal Audit terms of reference (charter) and the effectiveness of internal audit	An	HofIA with Chair	√						
External Audit – Audit Wales									
Receive the External Audit Annual Audit Report	An	AW		√					
Agree the External Audit Annual Plan	An	AW	√						
Receive the draft external auditor's opinion on the quality account	An	AW						√	
Receive the 2025 Structured Assessment	An	AW					√		
Receive External Audit Progress Report 2025-26	SI	AW	√	√	√	√	√	√	√

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Review of External Audit Reports including results & the adequacy of executive & management responses to any issues identified, ensuring that they are acted upon	Ad hoc	AW							
Consider any Audit Wales National Value for Money Examinations & Performance Reports	Ad hoc	AW							
Total Items Scheduled (excluding preliminary items) -to be updated prior to each meeting			13	16	17	12	16	14	8
Audit, Risk and Assurance Committee Members to meet Independently with:									
External Audit Team	BI	Chair			√			√	
Internal Audit Team	BI	Chair		√			√		
Local Counter Fraud Team	BI	Chair	√			√			√

Lead Officer Key	
DofCG	Director of Corporate Governance
DofF&P	Director of Finance and Procurement
HofCF	Head of Counter Fraud
PPV	Post Payment Verification
HofIA	Head of Internal Audit
AW	Audit Wales
Chair	Chair

Frequency of Inclusion Key	
SI	Standing Item
AN	Annually
BI	Biannually
Quarterly	Quarterly

Schedule of Meetings Key	
√	Scheduled agenda item in FWP
√R	Received at the Scheduled meeting
D	Deferred from this agenda
√ D	Deferred Scheduled agenda item Received
W	Withdrawn from FWP
T	Transferred to another Committee

IC	Matter discussed In Committee

DRAFT