

ANEURIN BEVAN UNIVERSITY HEALTH BOARD

MONITORING RETURN FOR MONTH 11 2025/26

Finance Commentary for the Period Ended 28th February 2026

Introduction

This narrative will provide commentary relating to the financial monitoring returns being submitted to the Welsh Government (WG) by the Aneurin Bevan University Health Board (ABUHB) for the period to 28th February 2026 (Month 11, 2025/26). This commentary will provide an overview of the financial position and performance of the Health Board on a year to date and forecast basis and will also provide a detailed narrative, where required, on each of the tables within the accompanying returns, in the format prescribed by WG.

The year-to-date performance against current budget at month 11 is a deficit of £16.9m. This is due to new year operational pressures that include prescribing costs / acute drugs, CHC activity growth, winter pressures and variable pay relating to Mental Health, Surge beds including ITU, Cancer and other operational pressures.

The Health Board is continuing to forecast the 2025/26 financial position as £18.3m (£9k improvement from month 10) deficit and acknowledges the challenge this puts on Welsh Government budget. This has followed a full mid-year review and financial recovery process, with full engagement of the Board, Executives and Divisional Directors. The forecast deficit is reflective of full delivery of the IMTP savings plans and in year cost pressures that are in addition to those within the IMTP and is currently assessed as the best-case scenario. This assumes full receipt of all anticipated funding, ***including Quarter 1 and 2 planned care funding for additional work (£2.5m) and other planned care in line with the submission to NHS P&I on the 5th March 26. Anticipated allocations will be adjusted to match this return.***

The Health Board will continue to seek ways to mitigate this position and any further additional costs, but risks remain within this forecast, notably further winter plan implications for 2025/26 because of recent critical incident and other operational pressures.

The ABUHB IMTP financial plan was based on achieving IMTP savings (£40.4m), through financial recovery actions the forecast achievement of savings and mitigating actions is now reported as £43.5m.

The in-year cost pressures are driving the deficit, for which the Health Board cannot foresee achieving full mitigating actions. The table below lists the relevant areas of spend:

ABUHB Mid Year Review 2025/26 (M11)		
Forecast Deficit Analysis - outside of IMTP plan		
Category	Issue	Value £m
National Issues (£2.9m)	National insurance > funding	2.20
	Theatres B2 to B3 grievance	0.30
	MS365	0.40
Funding Ceased (£0.3m)	Fracture liaison service	0.30
Ministerial Priorities - Urgent & Emergency Care (£4.5m)	Winter Beds 24/25	0.80
	Surge beds	2.00
	Emergency Department	0.20
	ITU capacity	1.50
Ministerial Priorities - Cancer (£2.5m)	Cancer	2.00
	Diagnostics growth	0.50
Growth above plan (£5.3m)	Drugs	2.00
	CHC	2.50
	Diabetes Pumps	0.80
Unavoidable Investments / Risk mitigations (£4.6m)	Mental health	3.90
	Thyroid loss of service	0.50
Mid Year Review Forecast Deficit		19.90
Month 8 - 10 Movements	Winter 25/26	1.98
	45 Minute Handover	1.38
	NWSSP Rebate	- 0.50
	Bank Pay Award 2024/25	- 1.80
	Additional Savings - from opps & new	- 3.09
	National Outpatient Insourcing (164 cohort). PP > £10.00 each	1.05
	Revised forecast sessional GP Ooh's (£0.6m),GMS (Global sum -£1.3m)	- 0.60
25/26 Forecast as at Month 10		18.32
	National Outpatient Insourcing (164 cohort). PP > £10.00 each Funding	- 0.96
25/26 Forecast as at Month 11 Day 5		17.36
	Global sum correction to payments (per WG advised 10.03.26)	0.95
25/26 Forecast as at Month 11 Final		18.31

The month 11 position has improved by £9k with a forecast deficit of £18.3m. This is subject to further opportunities and risks that may emerge in month 12, which are referenced later in this report.

Key messages for Month 11

The full-year financial position reported at month 11 **shows a forecast deficit of £18.3m**; this is presented on the face of **Table B – Monthly Positions**.

Actual YTD

The financial position at the 28th February 2026 shows a £16.9m deficit position, with the key issues in the month described in this report.

Total pay expenditure for the Health Board in Month 11 was £78.7m, an increase of £1.4m from January (£77.3m). Substantive staff pay increased during the month, due to the Christmas bank holiday enhancements processed in this pay period.

Non-pay expenditure (excluding capital adjustments) totalled £95.8m, representing a £1.5m decrease compared with February. This reduction is primarily driven by lower-than-anticipated in month spend for CHC (£1.0m) due to the profile of spend in Adult Mental Health, Learning Disabilities, and reduced growth in Young People. A month-on-month decrease in utilities and rates expenditure (£0.5m) has also been seen.

Overall CHC costs continue to present as a financial pressure due to inflationary price uplifts and volume increases during the year, including an increase in Discharge to Assess placements and an increase in high cost CHC packages of care.

Prescribing expenditure is performing worse than planned, driven by an increase in the average item price between the estimate and final performance in 2024/25. Between April 25 and December 25, the average item price was £7.91, compared with the forecast price of £7.80 for November 25 to March 26. The December PAR was slightly lower than forecast £7.82 (actual) versus £7.84 (forecast). The forecast growth rate has been revised from -0.35% to -0.70% to reflect current rates of growth, this partly offsets the impact of the increasing prices.

Drug expenditure in Month 11 was lower than anticipated, primarily due to increased levels of rebate income. Expenditure is expected to rise in Month 12 and return to forecasted levels.

On-going acute secondary care high-cost drugs prices and volume growth continue to be a pressure. The National V&SB procurement and Medicines Management savings opportunities are reviewed throughout the year and actions progressed to deliver any opportunities.

No reserves are being held by the Health Board (Table B -section E).

The reasons for being off target are consistent with the reasons for the forecast deficit.

Actual YTD and Forecast Under / Overspend (Tables A, B, B1, B2 & B3)

Table A – Movement of Opening Financial Plan to Outturn

The Board developed a break-even plan for 2025/26 that was ambitious and focused on delivery reinforced by Welsh Government. The plan assumes elements of specific additional funding related to national digital initiatives and Ministerial Expectations, and a level of savings greater than the minimum 2% expected by Welsh Government.

The 2025/26 IMTP savings plan of £40.4m presented the confidence/risk profile as:

- Savings plans £26m, (£16m green and £10m amber) and
- Not identified to date £14.4m (therefore high risk to delivery)

The full year savings position for month 11 continues to be forecast at £43.5m. Following a period of significant focus on financial recovery, the Health Board has identified additional 'Green' savings resulting in an expected savings achievement for the year in excess of the IMTP plan (some of these green savings are not yet fully delivered YTD and a risk remains).

The Board continues to give significant priority to improving the financial position going forward. Financial governance arrangements, staff awareness, training and tools have been developed to help improve financial decision-making across the Health Board, including establishing the Chief Executive led ABUHB Value & Sustainability Board with Executive Leads for each theme area. In addition, each Division is required to participate in Financial Recovery Meetings with the Executive team to identify and implement mitigating actions. The Performance Management Framework triangulates with budgetary delegation responsibilities to improve assurance and provide an escalation route for performance variation.

The Health Board's identified aims for the 2025/26 financial plan was to achieve an improved revenue position compared with 2024/25, achieving break-even and an improved underlying deficit leading to a sustainable financial position. However, the Health Board has revised the forecast to a deficit for 2025/26 and increased the underlying position to take account of full year impacts of the cost pressures.

The band 2/3 regrading estimated costs for 2026/27 are included within National Pressures in year, not in the underlying deficit. It is estimated at £3.2m. **(Action Point 10.1)**

In Month 10 reporting, the narrative stated that an improvement of £0.6m had been made to the forecast as a result of Optometry, GDS, and GMS. This improvement is clearly reflected in Table B1 as a reduction versus the prior month. However, it is unclear why this movement should also be reflected within Table A2 (Risks)? Please could you clarify. **(Action Point 10.3)**

The benefit of £0.5m for NWSSP savings has now been recorded in line 19 on Table A **(Action Point 10.4)**

Table B – Monthly Positions

The year-to-date budget performance at month 11 is a deficit of £16.9m. This position is an improvement compared to the expected MMR month 11 profile submitted during M10 of -£0.63m.

SOCNE Movement (Table B1)

Monthly Movement Analysis Compared to Previous Month Forecast, in-Month Spend and Year-End Forecast

- Pay – Anticipated funding and forecasted spend has increased due to Band 2 to 3 Uplift (estimated at £7.1m for 2025/26), in addition to increased funding and spend relating to Q4 Planned Care
- Secondary Care drugs – spend lower than forecast (£1.1m) a significant part of which relates to increased drug rebates. The forecast for month 12 remains prudent.
- Non-Pay – The spend and forecast has increased due to increased funding and spend relating to Q4 Planned Care.
- Continuing Care and Funded Nursing Care – there has been lower than expected growth during the month within Adult Mental Health, Learning Disabilities, and Young People.

The depreciation figures included in Table C represent the anticipated DEL and AME depreciation allocations required for owned and donated assets. The figures are based on the CRL received on the 4th March 2026. The depreciation estimates have been updated based on the latest information available but may be subject to further change when the DEL and AME valuation adjustments are finalised. The IFRS16 lease depreciation is finalised and consistent with the return submitted on the 9th March.

The figures for DEL / AME impairments and reversals of impairment are consistent with the November Non-Cash return. These figures will be concluded in month 12 reporting as valuations are due to be received in March. The Donated Asset receipts figure was updated in month 9 based on revised actual and forecast purchases for Q3 and Q4, respectively. The final figures will be submitted by the non-cash deadline of the 17th April.

The anticipated allocations included at Month 11 are summarised in the table below:

	M11-26 MMR	Allocations Received	Remaining Anticipated
Anticipated Allocations	£000	£000	£000
DEL - Baseline Depreciation Shortfall/ (Surplus)	(489)	(514)	25
DEL Strategic depreciation Support	3,710	3,710	0
DEL Accelerated Depreciation	190	0	190
DEL IFRS16 Leases Depreciation	(309)	(590)	281
DEL Impairment Funding	146	0	146
Total DEL Funding	3,248	2,606	642
AME Donated Asset Depreciation	345	344	1
AME Impairment Funding	34,485	34,485	0
AME Reversals of Impairment Funding	(37,011)	(37,011)	0
AME IFRS16 Leases Depreciation	62	62	0
Total AME Funding	(2,119)	(2,120)	1
Donated & Granted Assets Credit	(200)	(160)	(40)
Total Allocations (excluding DEL Baseline)	929	326	603

Table B2 – Expenditure Movements

This table has been completed in line with the guidance.

Table B3 – Pay & Agency (Section A)

This table has been completed in line with the guidance.

In Month 10, Nursing and Midwifery pay was £0.6m higher than forecast. This variance was driven by increased use of non-substantive staffing in response to the critical incident, the boarding of patients across sites, and additional planned care activity. In Month 11, pay expenditure has increased due to payment of enhanced rates for December and January bank holidays that were paid in-month.

(Action Point 10.5)

1. Agency / Locum (Premium) Expenditure (B3 Sections B & C)

This table has been completed in line with the guidance.

2. Variable Pay excluding Agency / Locum (Premium) expenditure (B3 Section D)

This table has been completed in line with the guidance.

Underlying Position (Tables A1)

The Underlying (U/L) position brought forward into 2025/26 was a deficit of £27.2m with a forecast carry forward deficit into 2026/27 of £14m. This is per the plan submitted on the 31st March 2025.

The elements and cost drivers making up the underlying deficit are under regular review to ensure actions to address the growth/pressure are being progressed and may be updated in conjunction with the review of the forecast.

The underlying position is being reviewed and tested in depth for the IMTP, this is indicating a worsening position before savings at c£38.2m. (per board slide) This is increased due to recurrent and full year effect of cost pressures and impacts of savings. This position has been discussed with the Board but not yet formally signed off as part of the IMTP, a final position will be agreed with the Board in readiness for the IMTP deadline.

At a high level this is:

- £14m deficit per IMTP (including Specialist services, CHC & Drugs)
- Plus £17.8m full year effect of unplanned in year cost pressures:
 - National Issues £3.53m (includes £2.2m NEIC)
 - Funding ceased £0.3m
 - Ministerial priorities (including cancer)£6.2m
 - Growth above plan £4.9m
 - Unavoidable Investments / risk mitigations £4.6m
 - 2024/25 Bank wage funding -£1.8m
- c£5m digital cost pressures – where funding has come to an end for systems and staff employed on projects that continue
- c£4m workforce costs – for full year impacts of substantive posts where there have been temporary delays in filling posts in year, along with posts where funding has ended but contracts remain in place. Any variable pay offset has been included.
- c-£2.6m review savings, non recurrent savings confirmed as recurrent and full year effects reviewed

Further detail will be available for each of these headings following finalisation of the IMTP work with further agreement from the Board, expanding on this detail now is pre-empting that work. **(Action Point 8.1 c/f)**

3. Risk Management (Table A2)

The risks included in the MMR tables reflect the emerging in year pressures, risks are reviewed regularly and updated based on the Health Board's assessment of the current level of risk to the financial position and its ability to manage those risks.

The most significant risks to the Health Board are:

Risks Excluded from Forecast £18.314m deficit	
Risks	£m
RTT QTR 1 & 2	2.5
Non Achievement of Savings (specific Corporate schemes)	1.0
JCC Risk	0.3

These risks are outside of the current forecast, if costs are incurred and the funding assumed is not provided then it is a high probability they will impact the year end forecast deficit. Of particular concern is the planned care funding, as the Health Board is not able to manage this level of potential risk.

The Health Board acknowledges Welsh Government's commitment to fund the national regrading of Band 2–3 clinical posts in 2025/26. As a result, the Health Board has anticipated £7.1m of funding and removed the associated risk in Month 11. The appropriate losses form will be submitted to Welsh Government in relation to the Band 2/3 payment when finalised. **(Action Point 9.2 c/f)**

Opportunities

At Month 11, the Health Board is continuing to look for opportunities to manage the year end position. The previously reported opportunity relating to a legal dispute has been reclassified and moved to next year's opportunity pipeline. The Health Board's legal team has advised that this matter is unlikely to be resolved within the current financial year, as the next steps are still under consideration.

The 'Pipeline Opportunities' value in Table A2 has been removed, however the description text cell (B36) is locked due to the compromised sheet.

4. Ring Fenced Allocations (Tables N, O & P)

Table P has been completed.

In addition to the funding already included, the Health Board anticipates an allocation of £2.5 million to support planned care RTT 104-week initiatives. This expectation arises from discussions between the Chief Executive and a senior Welsh Government Director. Funding for Quarter 1 & 2 planned care additionality remains subject to formal confirmation; however, full funding is anticipated.

A table was submitted on the 5th March 2026 updating P&I on the expected performance on planned care, due to the conclusion of this being late in the reporting cycle the anticipated allocations have not yet been updated to match these assumptions. The Health Board expects the values on the submission to be the revised allocations values.

Planned care funding issues have been a consistent issue in terms of confirmation of values and actual receipt of funding letters throughout 2025/26, the Health Board would greatly appreciate a review of how this funding is delegated going to forward to minimise risks throughout the year.

Tables N & O (GMS & GDS) have been updated for Month 11 In line with guidance.

5. Savings (inc. Accountancy Gains & Income Generation) (C, C1, C2, C3 & C4)

The 2025/26 plan submitted by the Health Board to Welsh Government (March 2025), identified £40.4m as the required level of savings to support a breakeven forecast position for 2025/26. The savings schemes were shown as three categories:

- Identified savings schemes - £15.7m
- Identified Health Board level savings opportunities with work to be undertaken to attribute to specific Divisional schemes - £10.3m
- Pipeline opportunities not yet identified - £14.4m

At month 11, the year-to-date savings are £34.5m with a full year forecast of £43.5m.

The Health Board will continue to identify new schemes and to review performance on existing schemes to maximise the total delivery.

There are no remaining in-year Amber schemes. All schemes previously rated Amber in month 10 have reached their agreed go-green dates and are now being achieved.
(Action Point 9.9 c/f)

All savings opportunities included within the £5.0m presented to Welsh Government as part of the mid-year review, and which have subsequently been progressed, have been captured within the Savings Tracker. **(Action Point 10.6)**

6. Income Assumptions 2024/25 (Tables D, E & E1)

Table D – Welsh NHS Assumptions

This table has been completed in line with the guidance.

Since the last MMR response letter, the dispute with CTM regarding the c£0.3m remains unresolved and continues to escalate to Executive level as part of the LTA dispute resolution process **(Action Point 9.10 c/f)**.

Table E – Revenue Resource Limit

This table has been completed in line with the guidance. The Month 11 financial position is based on total allocations of £1,964.598m, of which £1,936.642m are received and £27.956m are anticipated.

Allocations are anticipated on receipt of a notification from WG, including Policy Leads and finance colleagues, however, the 2025/26 plan has made assumptions about funding where there has been a history of receipt or an indication from a lead in that area.

The Health Board anticipated Planned care / RTT funding in line with letters received, exceptionally there is an anticipated additional £2.5m funding for 104-week activity in line with CEO conversations with a WG Director. If this funding is not received it will worsen the financial forecast. **Welsh Governments acknowledgement of this risk is noted, however the Health Board is requesting urgent confirmation of this position from WG as it has been outstanding for over 5 months.**

Full receipt of all anticipated allocations is imperative for the Health Board to de-risk its financial plan. This will continue to be quoted as a significant risk until confirmation is received.

In addition to WG income the Health Board is expecting full receipt of any funding from the NHS Executive and DHCW.

The Health Board is seeking confirmation of Welsh Government funding for:

- PADM's funding for 2026/27, and
- Increase ESR system costs for 2025/26 and 2026/27.

7. Healthcare Agreements and Major Contracts

The Health Board has agreed and signed LTAs for all Welsh providers and commissioners.

The Health Board has agreed LTAs with all English providers reflecting the CUF Uplift/National tariff changes. During a review of these agreements, it has been identified that several of the individual tariff lines have been inflated by up to 14.7% which is significantly more than the current WG funding, at this stage the Health Board is assuming this will be managed internally but without funding or further mitigating actions this could generate an unfunded financial pressure to the Health Board of circa £0.7m.

At Month 11 reporting, activity information to support LTA forecasts is based on Month 10 data but initial indications suggest growth in NICE drug expenditure at CVUHB and Velindre, this forecast remains volatile with Velindre in particular making changes to their forecast each month. We continue to meet with providers to manage and mitigate any further risks.

The Health Board is reflecting the overspend that JCC is forecasting, however, discussions over managing and mitigating the significant risk to that position continue between the parties. In addition there is a contract performance risk if provider activity continues to increase.

LTA contract performance risk is predominantly with Velindre and Cardiff, the Health Board is currently forecasting in line with provider monitoring information however there is risk of potential increases in activity by the provider through the year and increases in high cost drug recharges. There is still a dispute with Cwm Taf UHB regarding inpatient charges being levied for SDEC activity which is now being escalated to executives as part of the LTA dispute resolution process.

8. Statement of Financial Position and Aged Welsh NHS Debtors (Tables F & M)

The main changes on the Statement of Financial Position between Month 11 and Month 10 relate to the following:

- There has been a net increase in trade & other receivables of £21.7m between January 2026 and February 2026. The main reasons are:
 - £20.9m increase in Welsh Risk Pool claims due, comprising:
 - a £23.3m increase to claims due in more than 1 year, and
 - a decrease of £2.4m in claims due in the current year.
 - £5.2m increase in invoices outstanding on the Accounts Receivable system;
 - £1.0m increase in NHS Accruals;
 - £3.9m decrease in Non-NHS Accruals;
 - £1.6m decrease in Prepayments.

- Trade & other payables have seen a net decrease of £0.7m between January 2026 and February 2026. The main reasons are:
 - £4.2m decrease in Non-NHS Accruals;
 - £1.7m decrease in the value of creditor invoices not yet due;
 - £1.9m increase in NHS Accruals;
 - £1.4m increase in Capital Accruals;
 - £1.9m increase in Other Creditors.
- Current and Non-Current Provisions have seen a net increase of £22.9m in month. Within this, there were changes related to WRP Clinical Negligence and Personal Injury claims:
 - £23.4m increase in Non-Current provisions;
 - £1.1m decrease in Current provisions;
 The significant increase in Non-Current provisions in month relate to three claims which have increased their estimated settlement by £5m, £6.8m & £10.3m respectively.
 - There has also been an increase in Other provisions, including CHC, of £0.6m.

There are significant variances on the balance sheet from the end of 2024/25 to February 2026. These are detailed below:

- There has been a net increase in trade & other receivables of £18.6m.
This is due to a fluctuation in the WRP income claims due between Current (-£60.8m) and Non-Current (£74.4), which is a Net increase of £13.6m. There has also been an increase in invoices on the Accounts Receivable system of £1.5m. These are offset by increases in Prepayments of £4.1m, and Accruals of £0.5m.
- There has been a net decrease in trade & other payables of £28.0m.
This is due to a reduction in Other Creditors of £18.2m, a decrease in the value of creditor invoices not yet due of £7.6m, and Net Accruals of £5.8, offset by increases in Tax & NI of £3.6m.

Table M – Aged Welsh NHS debtors

At the end of February 2026, the Health Board has nine invoices outstanding with other Welsh Health Bodies older than 10 weeks, totalling £337,412.

Cardiff & Vale University Health Board – three invoices totalling £63,101. All these invoices are over 17 weeks old but were agreed as part of the Agreement of Balances exercise in Month 09. There have been discussions in month in relation to payment, and we have finally received confirmation that all three will be paid by the 13th of March.

Powys Teaching Health Board – five invoices totalling £249,310. Two of the invoices, totalling £116,841, has since been paid. We have received confirmation that the

remaining four invoices, totalling £132,470 will be processed and paid by the 13th of March.

Velindre NHS Trust – one invoice totalling £25,000, which has since been paid.

Table N & O – General Medical Services & General Dental Services

These Tables are not required for Month 11 Reporting

9. Cash Flow Forecast (Table G)

The cash balance held at the end of February is £4.650m which is made up of £4.082m relating to Revenue and £0.568m relating to Capital. The balance is within the advisory figure set by Welsh Government of £6.0m.

Working Balances Cash Requirements

The Health Board is estimating a cash shortfall of £22.229m at the end of Month 11 relating to working capital movements, and as such is requesting working balances cash support of £17.361m for Revenue, £1.000m for Capital and £3.868m relating to IFRS 16.

The working balances cash support the Health Board requires is reviewed monthly.

Working Balances Support	Month 11 Position £000
Creditor & Debtor Movements	(8,295)
Accountancy Gains	(7,595)
Total Revenue	(15,890)
Cash Not Drawn in 2024/25	
ANEHFS 95 CCEA - Clinical Excellence Awards Q3 & Q4	(169)
ANEHFS 96 PCRF - Planned Care Trans funding Q3 Q4	(47)
ANEHFS 97 DPIF - TEC Cymru correction to letter 94	221
ANEHFS 98 MHOP - Memory assessment Services	(47)
ANEHFS 101 INIT - Additional M&D related pay award funding	(480)
ANEHFS 106 INIT - Additional recovery for IFRS 16	281
ANEHFS 3 INIT - Pharmacy Contract stability funding	(1,230)
Total Revenue Cash Not Drawn	(1,471)
Total Revenue Working Balances Support	(17,361)
Capital Working Balances	(1,000)

IFRS 16 Working Balances	(3,868)
Total Working Balances Support	(22,229)

The working balances cash support requirement amounts identified above have been reflected in Table E – Resource Limits.

Strategic Cash Support

The above does not include the cash effect of the forecast deficit which we have been reporting in our cashflow since Month 05.

The deficit position gives rise to a cash support requirement, and as noted in the letter from Hywel Jones of 29th January 2026, Welsh Government will provide strategic cash equal to the actual deficit to manage this position. Welsh Government has also noted the request for working capital cash support. The Health Board can confirm that the strategic cash support will be drawn when available in mid-March 2026.

It should be noted that the Health Board's cash position is also dependant on anticipated allocations being confirmed and available to draw down, and in particular the remaining amount of the planned care funding.

The cash flow table is subsequently showing a forecast overdrawn balance of £13.491m (before receipt of the strategic cash) in March 2026. This forecast position will have a significant impact on the Health Board's ability to pay suppliers towards the end of March and remain within our PSPP target.

This assumes a cash balance held at the end of 2025/26 of £4.823m (£4.823m revenue and £0m capital) and comprises:

	Revenue	Capital	Total
	£'000	£'000	£'000
C/F Balance	4,823	0	4,823
Deficit/ Strategic Cash	(18,314)	0	(18,314)
Total	(13,491)	0	(13,491)

10. Public Sector Payment Compliance (Table H)

This table is not required for Month 11 reporting

11. Capital Schemes & Other Developments (Tables I, J & K)

Table I has been completed in line with the latest Capital Resource Limit (CRL) issued on 4th March 2026.

The approved Capital Resource Limit (CRL) as at Month 11 totalled £45.013m including disposal proceeds totalling £0.163m. The forecast outturn at Month 11 is breakeven.

The Health Board confirmed the CRL requirements for all All-Wales Capital Programme (AWCP) schemes at the end of October. A brokerage request totalling £1.671m was approved by Welsh Government (WG) in January to manage slippage against AWCP schemes. A further brokerage request of £0.310m (based on current forecasts) will be made at year end for additional slippage across schemes. All brokerage adjustments will be offset with the DCP by accelerating forward urgent discretionary schemes that would otherwise be funded in 2026/27.

AWCP Schemes

NHH Satellite Radiotherapy Centre – Main Scheme

The NHH Satellite Radiotherapy scheme building handover took place on the 6th May. After commissioning, the unit opened to patients on the 30th June 2025. The final account for the building works is being agreed with the contractor. A slippage request of £0.267m was approved in month to allow associated smaller works and expenditure against the arts budget to continue in 2026/27.

GUH Emergency Department Extension

Phase 1 works to the Grange University Hospital Emergency Department Extension completed and was opened to patients in December. Phase 2 works will now be completed next year outside of the winter pressures period. The Discretionary Capital Programme (DCP) is currently funding a projected overspend against this scheme of £0.461m. Further claims submitted by the contractor in relation to prolongation of the programme and additional works are currently being reviewed by the Health Board's external cost advisor and project manager to agree the final account.

Head Lease for Chepstow Community Hospital

The boiler install was completed in February and the allocation of £0.107m is now fully spent.

Year End Funding October 2024 (GUH 2nd MRI)

The MRI machine has been operational since July. The main works are complete and smaller associated equipment orders have been delivered. Final fees invoices are awaited, alongside some minor air handling unit and fire alarm works which are due to complete in February 2026. A further underspend of £36k is now forecast against the revised allocation of £2.201m.

Centralised Decontamination Unit

The contractor handover of the Centralised Decontamination Unit at RGH is delayed to March 2026. The commissioning period will then commence to allow the unit to open in April 2026. The reported underspend relates to the reimbursement to DCP for fees incurred in prior financial years (£0.139m). Slippage of £0.179m into 2026/27 has been approved to manage costs associated with the commissioning period.

RGH Blocks 1 & 2 Demolition and Car Park

Slippage of £250k was agreed against this allocation in October due to delays in obtaining planning and SAB approvals.

Backlog Maintenance 2024/25

The Backlog Maintenance slippage allocation totalling £2.017m relates to St Cadoc's duct works and lift door replacements at Royal Gwent and Nevill Hall Hospitals. The St Cadoc's duct allocation is now fully spent with the remaining spend against this scheme being carried out under the Targeted Estates Fund allocation. Slippage of £0.076m is expected on the lift scheme as one lift and associated remedial works will now complete in 2026/27.

TEF National Programmes – Fire/ Infrastructure/ Decarbonisation/ Mental Health/ Infection Control/ Decontamination

Targeted Estates Funding (TEF) for 2025/26 has been revised to £7.981m as an additional slippage request of £0.407m was approved by WG in January. Works are progressing across the majority of the Targeted Estates Funding (TEF) schemes for 2025/26 with 66% of the forecast outturn spent by the end of February. Additional slippage of ££0.078m has been notified in February. The schemes are being monitored closely and, if further slippage arises, a further brokerage request will be submitted to Welsh Government.

EFAB Infrastructure

This allocation in relation to the original St Cadoc's Ducts work is now fully expended. The remaining works will continue under the backlog maintenance and TEF funding allocations.

CAMHS – Sanctuary Hub (HCF Funding)

The disabled access ramp is now installed and expenditure against this AWCP allocation is complete. Agreement has been secured to fund the overspend against this project from HCF underspends.

YYF Unified Breast Unit

This scheme is now complete. The final vat recovery adjustment and associated CRL reduction have been actioned during month 11.

Ty Gwent

Orders are raised for the outstanding works in relation to the external EV parking. Slippage of £0.014m has been agreed as some of these works are delayed until 2026/27.

Commercial Research Delivery Wales Equipment 2024/25

The slippage amount of £12k is fully spent.

Digital Equipment 2024/25

The slippage amount of £53k is fully spent.

Year End funding – February 2025

The final deliveries for this scheme have now been received.

IRCF - Aber Valley Health and Wellbeing Centre and Aber Practice Development

The Outline Business Case (OBC) preparation is on-going. Surveys are ongoing and professional fee costs are continuing to be incurred. Slippage of £400k has been agreed to be carried forward to 2026/27. A notification of event submission has also been submitted to seek approval for additional funding to complete the OBC next year.

IRCF - Monmouth Health and Wellbeing Centre and Dixton Surgery

Slippage of £100k to 2026/27 was agreed by WG in January. The project team are currently working through some urgent issues to determine the appropriate way forward for the project.

Housing with Care Fund

Additional slippage of £0.033m is expected against these allocations. A VAT saving of £16k has been confirmed across these schemes. WG have confirmed that this saving can be used to offset the overspend against the CAMHS Sanctuary Hub disabled access ramp.

DPIF - Medicines and Prescribing: Electronic Prescribing and Medicines Administration (ePMA)

Slippage of £685k was agreed with WG in October. All orders for this years revised allocation have been raised and final deliveries are expected shortly.

DPIF - RISF

Slippage of £24k was agreed in October which relates to the go live support costs that will be expended in 2026/27. The go live date for the system is expected to be 8th May 2026.

Non-Radiology Ultrasound Replacement Funding

All orders have now been raised for a total of ten ultrasound machines across various sites and Divisions. The anticipated outturn of £630k against the £576k allocation will be offset by the underspend against the Cardiology Echo machines allocation and DCP.

Mental Health Quality & Safety Schemes

Works are ongoing across the five identified projects within the £705k allocation. The main spend will be against the installation of anti-ligature bedroom doors which were delivered in February. The doors are planned to be installed in March.

Reinforced Aerated Autoclave Concrete Management, Nevill Hall Hospital

A brokerage request totalling £0.284m was approved in January in relation to the Reinforced Aerated Autoclaved Concrete works at Nevill Hall. Additional slippage of

£0.131m has been notified in February. The slippage relates to works costs and fees that are now planned for 2026/27.

Hospital Helicopter Landing Site Improvements – 2025-26

Works are nearing completion and final invoices are expected before the end of the financial year.

Decarbonisation Project (REFIT)

The REFIT scheme is currently forecast to overspend by circa £0.039m in 2025/26. Scheme expenditure is currently 63% of the revised forecast outturn.

DPIF – Connecting Care

The £815k allocation is now fully spent.

End of Year Funding 2025-26: Phase 1 / Phase 2 / Phase 3 / Phase 4 / Phase 5

Additional funding totalling £0.0259m was received in month. All orders for this allocation have been raised and expected to be delivered before the end of the financial year. As at the end of February, current expenditure is 38% of the overall revised allocation of £3.317m.

Digital End of Year Funding 2025-26 – all Phases

All orders have been raised for these schemes and remaining deliveries are expected in March. Current expenditure is 67% of the forecast outturn.

Cardiology Echo Machines

Orders have been raised for these machines; deliveries have commenced and will be completed by early March 2026. Any underspend achieved against the £264k allocation will be used to offset the overspend against the Non-Radiology Ultrasounds allocation.

Entonox Cracking Devices

This equipment has been ordered and is awaiting delivery, with an overspend of £5k (against the £11k allocation) expected.

Speedboat Submucosal Dissection

The allocation of £24k has now been fully spent.

Commercial Research Delivery Equipment (VPAG)

An allocation of £18k was approved into the CRL in-month; orders have been raised and works will complete in March.

Discretionary Capital Programme

The Health Board Discretionary Capital Programme (DCP) forecast for 2025/26 is £8.965m at Month 11 made up of:

- 2025/26 DCP Funding - £12.875m
- Less 30% TEF contribution - (£2.862m)
- Less 2024/25 AWCP scheme brokerage - (£3.235m)
- Plus 2025/26 AWCP scheme brokerage - £1.671m
- Plus Reimbursement of DCP Fees re: RGH Decon scheme - £0.139m
- Plus 2025/26 AWCP scheme underspends - £0.298m
- Plus disposal proceeds 2025/26 - £0.079m

DCP expenditure to Month 11 totalled £5.552m. Urgent schemes totalling £0.427m have been approved in February to enable the brokerage required to manage AWCP scheme slippage and to use the remaining contingency budget. The schemes approved include the upgrade of Cardiology IT hardware and equipment replacements that have been brought forward from the approved 2026/27 DCP. The unallocated contingency at the end of Month 11 is £0.023m.

Table Q

Table Q has been updated to include the confirmed lease requirements for 2025/26. The values are consistent with the final 2025-26 IFRS16 Revenue Recovery return submitted on 9th March 2026.

12. Other Issues

Risk Management

Claims submitted to the Welsh Risk Pool awaiting reimbursement at the end of February 2026 total £2.063m. £24.552m has been reimbursed up to the end of February 2026.

The total outstanding payments made by the HB equate to £37.179m as at the end of February, of which we have submitted reimbursement claims for £4.236m leaving a balance of £35.116m relating to claims paid but not yet submitted for reimbursement by the Welsh Risk Pool.

CREDITORS

Attached to the returns is a separate file containing the following information in relation to outstanding creditors: -

- All outstanding creditors we currently have identified with other Welsh Health bodies as of 9th March 2026.
- Response to the Month 11 list of creditors circulated on the 9th March.

13. Authorisation

Financial Performance is reported consistently in Board papers and external reporting, albeit in a more user-friendly format. The MMR Narrative and tables are placed on the intranet each month under key documents for transparency.

The dates for the Board meetings in 2025/26 are as follows: -

Wednesday 21 st May 2025	Wednesday 2 nd July 2025	Wednesday 24 th September 2025
Wednesday 26 th November 2025	Wednesday 28 th January 2026	Wednesday 25 th March 2026

The dates for the Finance and Performance Committee meetings in 2025/26 are as follows: -

Tuesday 8 th April 2025	Tuesday 17 th June 2025	Thursday 31 st July 2025
Monday 29 th September 2025	Monday 15 th December 2025	Monday 2 nd February 2026

In accordance with the MMR guidance, the Health Board will endeavour to ensure that the MMR submission is agreed, and the narrative signed by two parties, by the Chief Executive and the Director of Finance. Where timescales and availability prevent this the Deputy Chief Executive will sign on behalf of the Chief Executive and the Deputy / Assistant Director of Finance will sign on behalf of the Director of Finance.



Robert Holcombe
Director of Finance, Procurement and Value
Cyfarwyddwr cyllid a chaffael



Nicola Prygodzicz
Chief Executive
Prif Weithredwr

Submitted with this report are:

- Monthly Monitoring return Tables at 28th February 2026
- All outstanding creditors ABUHB currently have identified with other Welsh Health bodies as of 9th March 2026.
- Response to the Month 11 list of creditors circulated on the 9th March.

Appendix 1

Aneurin Bevan Health Board

Monthly Monitoring Returns – Current Period Action Points 2025/26

Month	Action Point	How responded to
2024/25 Month 12	No Action Points	
Month 1		
1.1	<p>Movements to Plan (Table A)</p> <p>The monthly profile of Annual Operating Plan (line ref 12) is not balanced. There is a long-standing expectation (and a reminder was included in the 24/25 WHC) that 'For organisations with a balanced plan, the planned monthly positions should also be balanced.' As such an organisation, it is not allowable to plan an in-month deficit for nine months of the year to then be recovered in the final quarter. There is a dedicated RRL phasing line (5) which should be used to balance the monthly profile to zero; this line is already being used, but the values need to be updated to fully remove the current variance on line ref 12. Please do not adjust the Month 1 data; instead, correct the issue in the Month 2 column and future months. It is also noted that you are using the RRL phasing on line 18 (in year), which may be eliminated once the Plan profile is corrected. Unfortunately, we will not be able to accept the submission, if this is not corrected at Month 2.</p>	See Commentary
1.2	<p>Movements to Plan (Table A)</p> <p>Your narrative states 'the YTD position is £0.8m worse compared to the Plan month 1 profile for 2025/26. This is due to winter actions (wards) remaining open and drugs spend (haematology), the Health Board expects to mitigate these costs in future months'. These pressures appear to be mitigated in Month 1, via the item on a free text line of £0.696m plus the 'Other' line pulling through from Table B2 of £0.371m. It is noted that the pressures do not continue in future months, in line with your narrative. The free text line however, which has been used to report a benefit in April (£0.696m) is described as 'Mitigations to be determined – Month 1 Winter and Heam Drugs'. As this forms part of the M1 position, the benefit therefore must already be 'determined'. In addition, we would not expect the use of a free text line for such an item, as these benefits (unplanned spend reductions) should now be reflected in Table B2, which will flow through to Table A. Please fully review this item at Month 2 and reverse the entry in the Month 2 column of Table A and going forward please use Table B2 instead. It is currently difficult to understand the full drivers of the M1 deficit, due to the various profiling and completion issues.</p>	Noted
1.3	<p>Movements to Plan (Table A)</p> <p>The Quarter 4 delivery profile of the current Planned Savings Gap of £14.4m, is a significant concern. These planned savings should be finalised by no later than the end of Quarter 1 and be delivering as soon as possible thereafter to reduce the significant risk this currently presents to the delivery of your outturn position.</p>	Noted
1.4	<p>Underlying Position (Table A1)</p> <p>To ensure consistency, FP&D colleagues have requested that all organisations report any CHC/FNC and Primary Care pressures on Line 21 'Healthcare Provided by Other Orgs – Private/Other'. Please review your completion and amend if necessary.</p>	Noted
1.5	<p>Risks and Opportunities (Table A2)</p> <p>In relation to allocation assumptions for the increased ENIC; whilst it is helpful to understand your current estimate for the full year impact, please be advised that the level of funds available to meet these costs is still to be determined. Therefore, it is acknowledged that you may choose to recognise a risk relating to the uncertainty of receiving fully matched funding.</p> <p>The return does not currently highlight any potential opportunities to assist with the mitigation of reported risks to the outturn position. We were expecting at</p>	Noted Actioned

	least the Microsoft VAT recovery issue to be reflected, as discussed in recent correspondence from DHCW. Please consider the inclusion of this item and any others, in the Month 2 submission.	
1.6	Risks and Opportunities (Table A2) Please provide additional supporting explanations in the narrative for the risks relating to LTA Performance (which is separate to the JCC Risk, and which currently does not require further explanation) and the GP Managed Practices.	See Commentary
1.7	Risks and Opportunities (Table A2) Acknowledging that the risk described as 'Pipeline Opportunities' relates to the current gap in the IMTP Planned Savings; please consider whether a 100% risk value is reflective of a 'balanced' assessment of potential non delivery	See Commentary
1.8	Monthly Positions (Table B) Please complete the 'Allocation' cell within Section F (Covid 19). The profile of spend does not currently appear robust, although it is acknowledged that this is only M1. The information provided in this table is being shared with the WG Policy Lead, who may wish to discuss the spend profile and forecast and service delivery with you.	Noted
1.9	Monthly Positions (Table B) With reference to section E, unlike most organisations, you have no spend associated with Committed Reserves data. Please provide confirmation that all budgets (including any for confirmed Planned Care Funding) have been issued to Divisions and that nothing is being held centrally. If you do have centrally held Committed Reserves, please complete this section with the forecast expenditure values of each Reserve.	See Commentary
1.10	Expenditure movements (Table B2) Please review the following issues for Month 2: -The use of the 'Other' lines on Table B2 should be reviewed and consider moving the values to one of the main lines (virements line for profile issues, or unplanned cost pressures or unplanned cost reductions) – it is assumed this was an interim approach at M1 and that going forward the use of the 'Other' line will be minimal. -The 'Annual Plan (plus finalised savings identified at month 1)' lines should reflect the MDS values adjusted for finalised savings. It has not been possible to reconcile the Annual Plan values for PC Drugs, Non Pay, CHC and Joint & Other categories. Please review and amend the values in the next submission using Month 2+ columns only; a simple reconciliation in the narrative at M2 would greatly assist and reduce any further queries. -Despite not being able to reconcile all the Annual Plan values, it is still clear that the forecast spend in a number of these categories is materially different to that set out in the MDS. Please therefore provide a supporting explanation in the narrative. -Please consider if the recurring assessment of the current savings gap still to be finalised of £14.4m is correct. Currently, column S&T has only been populated for the savings expected to be delivered within the Pay category.	See Commentary
1.11	Pay & Agency (Table B3) Please include in your narrative a comment on the Agency/Locum (paid at a premium) expenditure information, providing details of action plans and progress being made to reduce expenditure. Acknowledging that this was the first submission, a more robust profile is expected to be provided in future submissions.	See Commentary
1.12	Savings (Table C, C1, C2 & C3) Please review the 'Go Green' dates for the Amber schemes, which should be within 3 months of first being included within the Tracker (Table C3). It appears that the same date is being used for both the 'Start' (which should reflect the month the scheme starts to deliver) and the 'Go Green' which should be no later than 1 July for the schemes reported in the M1 submission.	See Commentary
1.13	Savings (Table C, C1, C2 & C3) Please work with your FP&D liaison officer in relation the correlation of the schemes described as Green in the MDS verses those in the M1 MMR; they will also advice on whether schemes described as 'Stretch Targets' meet the finalised green criteria. Our initial view is that these descriptions refer to an aspiration to achieve a general targeted level of spend reduction, rather than describing the	Noted

	actual management action being taken to reduce spend through a particular piece of work, supported by a PID that meets the green criteria.	
1.14	Resource Limit (Table E) Please review the Revenue Drawing Limit value as it does agree with the WG records at Month 1 (it appears that the Depreciation adjustment (dated 15 April) has not been recognised in the value on the Table).	Actioned
1.15	Resource Limit (Table E) Our colleagues in the WG Finance Team have confirmed that the following items listed on your Anticipated Income schedule will be issued via the NHS Executive and therefore will not form part of the RRL. Therefore, please can you remove the following entries from Table E for Month 2: -2025-26 Precision Medicine -Digital Pathology Breast AI -Fracture Liaison Service	Actioned
Month 2		
2.1	Please be reminded that previous month's figures should not be amended retrospectively.	Noted
2.2	Unplanned cost pressures have escalated materially this month, rising from £0.800m in Month 1 to £4.600m in Month 2. This significant increase has led to a corresponding increase in the value of 'unplanned additional required mitigations yet to be finalised'. The mitigating actions are not expected to deliver until Month 7, and whilst it is positive to note that there is no risk to delivery reported in Table A2, this increases the accumulation of the YTD deficit into the second half of the year. We will look to your next submissions for a progress update	See Commentary
2.3	Whilst the WHC principle is that all Planned savings should be finalised at Month 1, there is a general acceptance that organisations will achieve this by no later than the end of June. The Health Board should therefore be aiming to convert all "Pipeline Opportunities" which are described in the risk table as £14.4m, by the end of Quarter 1, thus reducing the risk if they are converted to Amber schemes or eliminating the risk if converted to Green schemes	See Commentary
2.4	We note that you have acknowledged our comments made last month in relation to ENIC funding, with the inclusion of a risk with a value '£8.000m'. The shortfall has been publicised by the Finance Minister and the recent discussion at DdoFs suggested the risk value could be up to 15%, but this could be lower depending on the outcome of the work FP&D colleagues are currently undertaking with organisations on the validation of the request values vs the allocation we have available through the settlement from the UK plus 50% of the shortfall which is being allocated from n/r WG central reserves. Once the funding is confirmed any shortfall will need to be mitigated by organisations and until those mitigations are finalised, then we acknowledge the continued reporting of a risk value relating to the applicable 'non delivery of mitigations'	See Commentary
2.5	After considering the AME Impairment Reversal, the RRL is c£2m over-phased to date. Please provide a reconciliation in the supporting narrative each month, if the funding/income is not being broadly phased in equal twelves	See Commentary
2.6	With regards to AP 1.10, your narrative states "MDS reconciliation with categories in this table require further work, the Health Board will aim to progress this going forward." And 'Current savings gap shown in this table – is being reviewed.' These presentational issues will need to be resolved by Month 3. To assist, we have shared our initial workings.	Noted
2.7	In Table B2, the use of the 'Other' line should be by exception only. If you have material items going forward, it will likely relate to incorrect completion of the template. Please review and re-categorise the items shown on the 'Other' line; if the spend variance is due to timing or the need to move spend between categories, please use the virements lines. Please do not amend the M1 & 2 columns, instead make the adjustment for April and May in the June column. If you require assistance, your FP&D colleagues will be able to assist, or contact a member of the NHSFM Team.	See Commentary
2.8	While the overall pay forecast has increased across most staff categories, the projected expenditure for Administrative, Clerical, and Board Members has decreased by £1.421m. Whilst positive, please provide supporting details to explain this movement in forecast	See Commentary

2.9	Given that the Health Board is reporting Agency spend in all categories, all year; please provide details of the actions being taken to deliver the below Cabinet Secretary workforce enabling action	See Commentary
2.10	material concern is whether the schemes described as 'Opportunities' meet the Amber definition. It is possibly an issue with the description being used; however, colleagues in FP&D will be discussing the classification of these schemes with you, as assurance will be required before the Month 3 submission	Noted
2.11	All 'Month' Amber schemes must have a 'Go Green' date of within 3 months i.e. 30 th June. For 'In-year' schemes, the 'Go Green' date must fall within 3 months of first being included within the Tracker (Table C3). If after 3 months the scheme has not been converted to Green, it should be removed from the Tracker and reported as a Red scheme or an alternative opportunity should be sought. Please review the dates and ensure compliance with the WHC guidance at Month 3.	Noted
2.12	Please use whole numbers only in the template, as the use of decimal places is causing issues for colleagues when consolidating the data	Noted & Actioned
2.13	Only a very minor point, but the narrative reads ' <i>Table I has been completed in line with the latest CRL issued on 28th April 2025</i> ', yet there was a schedule issued in May 2025.	Retracted by WG
Month 3		
3.1a	As referenced in the main letter, there remains a substantial gap against the required planned savings target. The pace in which plans are being finalised needs to accelerate to provide assurance on the attainment of the breakeven forecast position. Significant progress will be expected by the Month 4 submission and the supporting narrative must clearly state the actions that have been agreed by the Board. The planned gap must be finalised by the 11 September 25 (Month 5 MMR submission date) and all schemes must meet the 'Green' criteria by that date.	Noted
3.1b	For all additional 'in-year' mitigations yet to be finalised, required to address pressures not included in the Plan including any risks that have crystallised by Month 4, the deadline for finalisation will be 13 October 25 (Month 6 MMR submission date). All actions/schemes must meet the 'Green' criteria by that date.	Noted
3.2	Risks/ Opportunities (Table A2) Please confirm if the JCC risk value of £1.0m, reflects the risks to the forecast outturn as reported by JCC in the Month 3 Risk-Sharing Table £1.391m.	See Commentary
3.3	Monthly Positions (Table B) The strategic depreciation value (£3.813m) recorded in section C is higher than our records (£3.781m). Please review this for the next submission, ensuring the data aligns to the latest non-cash submission, or explain the movement.	Actioned
c/f1.8	Monthly Positions (Table B) Your response to c/f AP 1.8 states ' <i>the Covid table has been updated to show the expected profile of the spend, with a year-to-date correction in month 3 allocation available, however, the allocation tables did not distinguish a separate value for Mass Vaccination (24/25 allocation letter) so this is included in line ref 81</i> '. However, this does not appear to have been actioned (see extract below). It is acknowledged that the allocation letter combined the funding for HP and Mass Vacc and therefore the value assigned to each area is within your discretion, as long as you are delivered the Service as expected by the Policy. Therefore, you may wish to use the budget data assigned to those two distinct areas, as the basis of the split between lines 81 and 82. (c/f Action Point 1.8) Whilst you provide an explanation for in-month movements, please ensure your narrative also provide details for the movements in the Annual values (see all highlighted orange values in Table B1).	Actioned
3.4	Monthly Positions (Table B) Please explain the significant movements in Forecast expenditure: <ul style="list-style-type: none"> • Increase in Primary care Contractor expenditure forecast by £3.100m • Decrease in Other private & Voluntary sector by £10.1m • Increase in Continuing Care & Funded Nursing Care by £9.5m • Decrease in Provider services -Non Pay by £5.5m • Increase in Primary care – Drugs & Appliances by £1.700m 	See Commentary

3.5	Monthly Positions (Table B) It is noted that you have a Reserve of £1.8m described as 'Executive Decisions' phased into March. In the context of the current Savings Gap and the new ENIC pressure, it will be helpful to receive an update on the intended use of this reserve by Month 6, to correlate with the deadline for the finalisation of in-year mitigations.	See Commentary
c/f 2.6	Expenditure Movements (Table B2) As we approach the Month 4 reporting period, it is important that we draw a line under the opening Annual Plan values reported in Table B2. Therefore, please ensure the correct values are reported at Month 4. If you need support to achieve this, then your FP&D liaison lead will be able to clarify the values they expect to see that align to the Plan submission.	Noted / See Commentary
c/f 2.7	Expenditure Movements (Table B2) Please remove the values from the 'Other' lines next month, by adjusting the YTD in the July column and removing the data in future months. Instead use the applicable lines such as the virements line (for profiling issues), unplanned cost pressures, or unplanned cost reductions.	See Commentary
3.6	Expenditure Movements (Table B2) Please do not change previously reported figures, instead make corrections in the current reporting period only.	Noted
3.7	Expenditure Movements (Table B2) For the 'Unplanned Cost Pressures' please include an analysis of what these relate to in the narrative section supporting Table B2	See Commentary
3.8	Expenditure Movements (Table B2) Please confirm at Month 4 that the impact of the ENIC has been included in the Tables. We would expect the pressure to be shown in Table B2 within Pay as an Unplanned Cost Pressure; and if the mitigations are yet to be finalised, show this as Unplanned Mitigations in an appropriate category. It is acknowledged that you may choose to include an associated risk within Table A2.	See Commentary
3.9	Expenditure Movements (Table B2) Please confirm at Month 4, that the impact of the deteriorated forecast outturn reported by JCC at Month 3 (£0.927m) is reflected in your position. We would expect the pressure to be shown in Table B2 as an Unplanned Cost Pressure in the appropriate category; and if the mitigations are yet to be finalised, shown as Unplanned Mitigations in an appropriate category. It is acknowledged that you may choose to include an associated risk within Table A2. If you have identified spend reductions to mitigate the impact, then confirm these are included in Unplanned Spend Reductions and confirm the category. If the mitigation is through additional savings, then these will come through the Tracker once finalised.	See Commentary
3.10	Pay & Agency (Table B3) Please continue to review the future month Agency values and provide an update at Month 4 on the progress being made by the Variable Pay Reduction Group, to meet the ministerial enabler. Noting your response regarding the claim that use of Estates Agency is 'efficient', please clarify if you pay a premium when using the Estates Agency or if they are paid the same as A4C rates.	See Commentary
c/f 2.11	Savings (Table C, C1, C2 & C3) Please review the go-green dates of all Amber schemes and ensure they fall within the 3-month period as required by the WHC.	Noted
3.11	SoFP (Table F) and Cash Flow (Table G) Please include estimates of your Movement in Working Balances Cash (WBC) in Table E (on the pre-set lines) for Capital, Revenue and IFRS 16. At month 4, we will expect to see a clear correlation between the requested amounts and the data shown in the SOFP and the supporting narrative will need to be sufficiently detailed to explain the values being requested.	See Commentary
3.12	Resource Limits (Table E) The charitable funds donated asset receipt (£0.160m) reported in Table A & I, has not been reflected in Table E (line 12). This should be shown as a 'Resource Only' (reduction) adjustment. Please review and update accordingly in your next submission.	Actioned
3.13	Resource Limits (Table E) Please update the WG allocation reference on line 9 of Table E.	Actioned

3.14	GMS & Dental (Table N & O) The 'internal' Net Dental Plan value is shown as £36.459m (£43.847m-£7.388m) which is lower than the WG ringfenced allocation of £36.722m. Please ensure that the internal budget/plan value is at least the value of the WG Funding.	Noted & See Commentary
3.15	PSPP (Table H) It is acknowledged that the performance for Non-NHS invoices is achieving the 95% expectation at Q1. For NHS-Invoices, performance is below expectation at 90.4% at Q1. The narrative confirms actions are being taken to improve performance and we will await the Q2 submission for evidence that this was effective.	Noted
Month 4		
4.1	The 'Planned mitigations yet to be finalised' of £14.400m, remain unchanged since the March plan was submitted. The deadline for finalising this gap in plans is the 11 September 25 deadline (Month 5 MMR submission date), with all schemes meeting the 'Green' criteria by this date.	See Commentary
4.2	At Month 4, the 'Unplanned mitigations yet to be finalised is £14.182m. The deadline for finalisation is the 13 October 25 (Month 6 MMR submission date). All actions/schemes must meet the 'Green' criteria by this date	See Commentary
4.3	The 'Unplanned cost pressures' total £13.989m and we are currently using the analysis of the cost pressures described in page 1 of the narrative to understand what these relate to. Further explanations to support the profiles in Table B2, would also be helpful.	See Commentary
4.4	An 'Unplanned spend reduction' of £1.572m was recognised in July, which is not forecast to continue into future months. Please ensure your narrative provides a full analysis of the total value, which should also include explanations to support the profiles in Table B2.	See Commentary
4.5	Please explain in your narrative which contracts the 'LTA Contract performance' risk relate to, acknowledging that you are correctly recording the JCC risk element on the dedicated line.	See Commentary
4.6	Please can you explain why there is no monthly forecast values for the Non RRL income line. It is noted that other Health Boards complete the full profile.	See Commentary
4.7	Please review the future month profiles for the below areas in Table B. For the 'Other P&V sector' and 'Joint Financing & Other' lines, please explain why the future month profile of spend is higher than the current monthly average. For the 'Losses, SP and Irrecoverable Debts' line, please explain why there is no monthly forecast values (noting that other organisations complete the full profile).	See Commentary
4.8	With regards to AP 2.7, your narrative indicates that the Health Board will continue to review and refine the use of the 'Other' category. As at Month 4, the forecast for this category has moved from a benefit of £0.165m (M3) to a pressure of -£1.760m (M4). A material element (c£1.0m) is phased into the final quarter; therefore, please review this for Month 5 and look to fully eliminate the need to use this line by the M6 submission.	See Commentary
c/f3.9	The response to AP 3.9 suggests that you are using the 'Other' line, because you have no place to recognise income in Table B2. This is because the table is referring to movements in expenditure not income. If you have movements in income that have no associated spend, then use line 19 on Table A.	See Commentary
4.9	Your latest IFRS 16 depreciation submission (July Non-cash) was £4.013m, whereas the Month 4 return indicates a value of £3.919m. Going forward, either explain the changes or ensure the data is consistent with the latest Non-cash Submission. There was also a minor variation on the Owned & Strategic Depreciation. Both these issues are assumed to be addressed when you update the values for the August Non-cash submission.	See commentary
c/f 2.6	We trust you have agreed with colleagues in FP&D that your reported Annual Plan values in Table B2 are now acceptable. As per your request, the below table is a reminder of the differences as they stand.	See commentary
4.10	There are 14 'Month 1' Amber schemes which have a forecast value of £7.299m and have failed to 'go-green' within the 3-month timeframe. There are a further 2 'In-year' Amber schemes although the value is minimal at c£25k. We have previously advised that the 'go-green' dates must fall within a 3-month period	Noted & Actioned

	starting from when they are first entered into the Tracker. Please also review the FYE values as these contain decimal places, when only whole numbers should be used in the Tracker.	
c/f 3.13	Please update the WG allocation reference on line 1 of Table E.	Actioned
4.11	The profit/loss on asset disposal (£0.006m) is reported correctly and consistently on Tables A, B and K. The Cash Flow (Table G) however, shows Sales of Assets receipts as £0.009m instead of £0.094m (as reported in Table K). Please review and amend this in your next submission.	See Commentary
4.12	Please ensure your narrative provides a supporting reconciliation for the value of requested Capital working balances cash at Month 5. The request is currently stated as £4.040m, yet the movement in Creditors is £3.648m which is partially funding by a movement in Capital Cash of £0.226m, resulting in a request value of £3.422m.	See Commentary
4.13	The narrative provides a list of items that constitute the Revenue working balances cash request of £19.631m. There is an item referred to as 'Study Leave Annual Leave Release' of £3.360m. Please confirm if this a net release this year, as normally the in year release is offset with the value of the new accrual for 25/26 Study Leave c/f into 26/27. If this is a net release because there is an expected downward movement between opening and closing accruals, then further supporting information will be required to evidence you have reduced the number of study days being accrued and have either incurred the associated additional spend on the cost of that Study Leave, or if this has resulted in an Accountancy Gain.	See Commentary
4.14	The reconciliation also includes allocations where cash was not drawn down at year end. At Month 5 please quote the applicable 'Allocation Reference Numbers' and explain why these are not already covered through the movement in Creditors request. I.E. was there cross-utilisation of Capital cash used at year end to make these payments, hence why there were not part of year end Creditors/Accruals.	See Commentary
4.15	It is noted that you are not currently forecasting to re-invest the NBV from the Disposal of Assets, which is resulting in a £84k underspend against the CRL. Please review this for the next submission.	See Commentary
4.16	Noting the additional allocations confirmed in-month, which have led to the spend being temporarily shown in the month of March, we assume this will be updated next month (DPIF – RISP and Non-Radiology Ultrasound Replacement).	See Commentary
4.17	Thank you for the update regarding the status of the outstanding invoices. We trust that the number of items will be much lower going forward and that you are reviewing processes to ensure you receive timelier payment in the future.	Noted
4.18	Please provide a regular section in the narrative to support the data being reported in Table P. For example, for all those areas where the spend profile is the same each month, explain if this is because total spend is higher than the ring-fenced element, once combined with your other assigned budgets for these areas e.g MH, hence the automatic assumption that the ring-fenced element is fully incurred each month at the same level. Another example would be to explain which scheme is driving the increase in Planned Care spend from M6.	See Commentary
Month 5		
5.1	The unplanned spend reductions recorded in Month 4 have been reversed in Month 5. In response to AP 4.4, you state these related to accrual releases and therefore not expected to continue and further releases are expected to be part of the financial recovery planned savings and mitigating actions reported in month 5 to meet, and exceed, the £40.4m savings IMTP plan. If these releases in accruals related to expenditure accrued at year end last year and are no longer required, then we can understand the removal as spend reductions and reclassification as Accounting Gains. If however, they relate to accruals in 25/26 that have been reassessed and are no longer required, then they should be recorded as spend reductions. These should not be included in the Tracker, as they are not a reduction of existing expenditure as a result of Management Action. Please confirm what this £1.5m related to and ensure the correct treatment in the Monitoring Return as it is important that you classify movements in spend in line with our expectation and that Savings Plans are not overstated	Noted -to be reviewed

5.2	The values reported under 'Other Movements in Month 1 Planned Savings' (line 16), 'Additional In-Year Identified Savings Forecast' (line 17), and 'Other' (line 25) have been retrospectively amended in Month 5. Although the overall net impact is nil, prior period figures must not be adjusted without prior authorisation from WG or FP&D.	Noted
5.3	The unplanned cost pressures reported on Table A total £22.012m, yet your narrative refers to a value of £19.9m which is deficit value. Whilst a high-level analysis is provided to explain the year end forecast, please state what the additional £2.11m relates to and ensure the narrative supporting Table B2 explains the full unplanned cost pressure value going forward.	Actioned
5.4	The following cost pressure issues cannot be easily identified as being raised in previous submissions: • MS365: £0.4m • Surge Beds: £2.0m • Cancer: £2.0m • Diabetes Pumps: £0.80m • ITU capacity: £1.50m Please clarify if these are only applicable from Month 5 onwards, or where they were reported in previous returns. (See Commentary
5.5	In relation to the Thyroid Service, please clarify if the £0.5m is the full cost of the now 'Commissioned' service, or if this value is net of the savings from the Consultant (now retired and not replaced) and the team that are no longer supporting that Clinic within your Health Board	See commentary
5.6	Once all schemes meet the 'Green' criteria there should be no risk to the delivery of the Savings Plan. Please review the inclusion of the £2.0m risk before Month 6.	See commentary
5.7	There are numerous new Risks listed on Table A2 this month which are yet to be quantified. Please ensure this is fully reviewed for Month 6, ensuring a balanced assessment is taken, and if it is appropriate to include an item then please quantify it.	See commentary
5.8	Please clarify why the 'Red' schemes were not included as part of the 'Opportunities' at Month 5, given the articulation now of having a £42m savings forecast (£42.0m Plan requirement) and no longer reporting any mitigations still to be finalised. These 'Red' schemes are possible Opportunities to offset Risks should they crystallise. Alternatively, once the 'Red' schemes are converted, they are a potential mitigation to enable the forecast deficit to be reduced and therefore are an Opportunity.	See commentary
5.9	The DEL Depreciation (Baseline + Strategic) value recorded in section C of Table B (£45.073m) is lower than our records (£45.093m). Please review this for the next submission, ensuring the data aligns to the latest non-cash submission, or explain the minor movement.	See Commentary
5.10	There is a validation error on Table B2 for Month 5 due to the 'Variation from Plan' not reconciling with Line 154. This appears to be caused by formulas being entered into free text lines, resulting in rounding differences. For future submissions, please ensure that only whole numbers are entered in all free text lines of Table B2 to avoid similar issues	Noted
	In response to AP 2.6, we acknowledge you have monthly meetings with FP&D to discuss financial issues. Please confirm that the Annual Plan values in Table B2 are now agreed with FP&D. The table below highlights the current differences as a reminder. (c/f Action Point 2.6)	Noted – to discuss with FP&D
5.11	The narrative incorrectly states that £42.5m of savings are classified as 'Green'. A value of £26.721m are 'Green', with the remaining £15.779m still rated as 'Amber'. Of these, 11 Amber schemes are scheduled to turn Green by in 2026, which according to your response to AP 4.10 you had actioned a change to ensure the 'Go Green' dates to comply with the 3-month rule (noting this has been superseded by the deadline set by Judith Padget). The Health Board did not meet the 100% confidence expectation at Month 5, and therefore all schemes must be converted to a 'Green' status by Month 6	Actioned
5.12	The savings scheme CORP-89, titled "Various – RTT Funding, Reserve Release, RIF Funding – Presentation to be Reviewed", has an annual forecast of £5.853m. This scheme consolidates multiple funding streams and reserve releases under a single forecast, which is 'subject to validation'. Please ensure this scheme is removed from the Tracker at Month 6. Spend incurred in-year above plan that is then funding by an in-year allocation, moves from being an unplanned cost pressure to expenditure as a result of additional funding on Table B2 – benefitting Table A. If you have received confirmation that funding will be provided then you should include it in Table E and not show this as a saving	Actioned

	<p>scheme. The 'Reserve Releases' should be reflected in Table B2 as 'Unplanned Spend Reductions'. In exceptional circumstances only can cost avoidance be reported in the Tracker, and FP&D colleagues would need to agree that lower spend has been as a direct result of a management action and supported by a PID. A re-assessment of growth for example, leading to the release of a reserve would be classified as a 'Unplanned Spend Reduction' in Table B2, not a saving scheme. If you are assigned more spend to the RIF Budgets because other spend is not being incurred as originally planned, this is not a savings scheme but is a 'Unplanned Spend Reduction'.</p>	
5.13	<p>Accountancy Gains of £4.145m are currently forecast for delivery during Sept, October and March 2026. The WHC guidance states that Accountancy Gains must be reflected in the current reporting month once finalised and cannot be profiled into future periods. It is essential to clarify if they are dependent on a future event or validation process. A large gain is described as relating to the Study Leave Accrual, and as you have chosen to declare this at Month 5, it would be unacceptable to wait until March to confirm if it can be released, as this suggests there is a risk that it may not happen and therefore you would not be meeting the 100% confidence requirement in your Plans. In different circumstances, we would have suggested that until finalised, these should be recorded as mitigations yet to be finalised (Table B2) or opportunities (Table A2), rather than included in the forecast for future months. Please ensure the associated entries are updated accordingly to reflect their current status at Month 6 whilst ensuring compliance with WHC reporting requirements.</p>	See Commentary
5.14	<p>With reference to your note on requiring Strategic Cash Assistance, please note that there is a formal process to follow including a requirement to submit a specific Accountable Officer letter setting out the request that must have been pre-approved by your Board. Jackie Salmon will inform you of the submission date in due course, which is usually around November, therefore please be mindful of the timing of your Board dates. Currently there is no Strategic Cash Support set aside for your Health Board in our MEG position, due to it having an agreed IMTP with a breakeven forecast. Therefore, any request will be subject to the Supplementary Budget process that concludes in late February/early March</p>	Noted
5.15	<p>With reference to AP 4.12 – it is unusual for a release of a Capital Provision to form part of a Capital WB Cash request. Please clarify what this Provision related to, and why you need the cash. I.E. Has the Provision crystallised and will now be paid out?</p>	See Commentary
5.16	<p>In addition, re AP 4.12 – The Capital Cash request for the movement in Creditors of £3.608m can be validated. However, the request has been adjusted for the Opening Cash Balance of £0.231m, which would be logical if the forecast closing cash balance was zero. However, the forecast cash balance is higher at £1.416m. Please fully review the Capital WB Cash request for Month 6, which will be the final opportunity to confirm your values.</p>	See Commentary
5.17	<p>The Revenue Working Balances Cash Request of £19.631m needs further review before month 6. The narrative states that the movement in Creditors is £14.4m. The SOFP shows a movement of £16.190m which is a value we would support. The request also seeks cash for the Accounting Gains yet only refers to the Study Leave Accrual release. The full value of Accounting Gains is currently £6.525m, which we would support. The request also seeks £1.471m for allocations where cash was not drawn down last year, this is a value that we would support. Please fully review your request for Month 6, which will be the final opportunity to confirm your values.</p>	See Commentary
4.11	<p>With reference to your response to AP 4.11 and the temporary recording of sales receipts and NBV relating to the termination of a leave; as the recovery of the ROU has now been actioned in the CRL, please fully remove the item from Table K and the Disposals section of Table I. (c/f Action Point 4.11</p>	See Commentary
Month 6		
6.1	<p>Please ensure all cost pressures and spend reductions are assessed and categorised between non-recurring and recurring (& FYE) in the dedicated columns of Table B2, which then feed through into Table A to produce a robust assessment of the underlying position c/f into 26/27. The narrative for Table B2, will also need to be expanded to include this categorisation. If you have a temporary balancing figure included in the templates, please remove this and replace with the detailed robust figures.</p>	See Commentary

5.1	The response to AP 5.1, is that 'this is to be reviewed'. Please confirm the origin of the £1.5m accrual release and ensure appropriate classification in the Monitoring Return, in line with guidance on spend reductions and accounting gains.	See Commentary
5.3	The response to the following AP appears to remain outstanding. The unplanned cost pressures reported on Table A total £22.012m (now £22.050m at M6), yet your narrative refers to a value of £19.9m which is the deficit value. Whilst a high-level analysis is provided to explain the year end forecast, please state what the additional £2.11m relates to and ensure the narrative supporting Table B2 explains the full unplanned cost pressure value going forward.	See Commentary
6.2	It is noted that your Health Board is an outlier due to having no movements in your Plan being described as spend reductions. It is noted that only cost pressures are captured in Table B2. Please review and ensure these are captured as applicable –FP&D colleagues will discuss this further with the Team.	See Commentary
6.3	It has become apparently, following a query that was raised with your team regarding the opportunity relating to Bank Pay Award Funding of £1.5m, that the impact on Bank costs was omitted from your Anticipated Income (AI) at Month 6. Whilst we have agreed that this can be added to AI at Month 7, the value of £1.5m does not align to our expectations, given that the request for funding last year (recurrently provided) was c £500k. We have been informed that last year, the Health Board did not seek the full value which was closer to £0.9m. Whilst we will consider the late request for Bank Funding, we have sought further details in support of the value being requested.	See Commentary
5.6	Thank you for the response to AP 5.6. The Health Board was asked (via the MMR letters and via the AO letter from Judith Padget) to provide 100% confidence in the delivery of the savings plan. That assurance has been provided by the Health Board by finalising the Savings Plans and classifying them as Green. Therefore, in line with the WHC, it is not appropriate to include a risk of non-delivery of savings totalling £2.0m. If there is a lack of assurance on delivery at Month 7, that cannot be managed by the Health Board as part of the 'balanced assessment of risks', then this will need to be escalated.	See Commentary
6.4	The forecast for 'Other Services Pay' has decreased by £5.116m. Please provide an explanation for this reduction in your next submission.	See Commentary
6.5	FP&D colleagues will continue to explore with you that you are actively leveraging the Cabinet Secretary's workforce enabling actions to reduce Agency expenditure and deliver sustainable savings. These enablers present a valuable opportunity to strengthen workforce planning and improve financial efficiency across the organisation.	Noted
6.6	Please confirm how many years of Study Leave Accrual were provided for in the 2024/25 Provision/Accrual and confirm your assumption for 25/26, in support of the Accountancy Gain that is currently factored into March.	See Commentary
6.7	Figures for the previous month in Table C2 have been amended without prior authorisation from Welsh Government or the FP&D. As you are aware, such changes should not be made as the performance data for the previous month has already been circulated to other Welsh Government departments for reporting purposes. Please only make correcting adjustments to the current and future month data.	Noted
6.8	Please update the WG allocation references on line 1 of Table E.	Actioned
6.9	In addition to referencing the relevant month, please ensure that the applicable Welsh Government contact information is included in column L.	Actioned
4.11	To assist, the following entries need to be actioned to address the IFRS issue: Please remove the IFRS 16 item from Table K Disposals, which will also address the issue in Table G where Sales Receipts do not align. Remove the IFRS 16 item from the 'Disposals' section of Table I. Instead, report the £-0.084m in Table I and J on the dedicated 'Other (including IFRS 16)' section. (See Commentary
6.10	The payment performance for non-NHS invoices is acknowledged at 97.1%. NHS invoice payments have also shown improvement, rising from 90.4% last quarter to 91.5%, whilst noting your comments regarding payments to Northumbria NHS Trust Fleet Solutions which is now resolved. We will look to your Q3 submission for confirmation of the continued improvement.	Noted
6.11	The Dental YTD figure for 'Employers' Superannuation' (line 18) is reported as £9.994m, which is significantly higher than both the planned amount (£1.546m)	See Commentary

	and the forecast (£1.774m). Please provide an explanation for this in the next submission.	
6.12	The net figure derived from the current expenditure plan total (line 13) minus the Dental Services income (line 44) of £6.803m does not reconcile with the Dental Services income reported on line 44 at £7.044m. From an alternative angle, the WG allocation reported in the table is £36.722m, yet the planned spend and planned income value is a net £36.481m. Please review the figures before the Q3 submission.	See Commentary
6.13	The WHC requires the inclusion of a supporting narrative for each of the Tables. Currently, the only commentary provided for these tables states: 'Tables N & O (GMS & GDS) will be completed quarterly in line with the guidance.' The Month 6 submission should have discussed the data contained the these tables and this may have led to the above issues being identified and corrected before the return was submitted. A more detailed narrative must be provided in future quarter submissions.	Noted
6.14	The lease payment value of £3.669m does not align with the figure presented in Table E (£3.715m). Please review and ensure consistency across all tables.	See Commentary
6.15	Please record the additional spend in the SOCNE (losses line) and on Table A using a free text line (as there is no losses category on Table B2) reflecting the appropriate phasing. If these new pressures are offset by mitigating actions (finalised or still to be finalised), then these actions will reduce expenditure in the SOCNE and should be reported against the applicable category via Table B2. It is noted that you will also have the other entries, such as the WRP Debtor (against NWSSP) and the anticipated RRL reduction in Table E.	See Commentary
6.16	FP&D colleagues will be seeking greater clarity around the cost pressures within Planned Care, including the operational drivers contributing to these pressures. Organisations are not expected to crystallise unfunded cost pressures beyond the level of allocated funding. An assessment comparing the original planned level of activity with the current forecasted activity, to better understand the basis of the pressures reported, should be provided.	See Commentary
Month 7		
7.1	In relation to the pipeline opportunities of c£5m, presented at the review meeting with WG on the 20 October, it is noted that £0.5m has been delivered but these have been required to offset further cost pressures being experienced. This is a disappointing position, as these actions were to improve the forecast deficit of £19.9m. We will look to your next submission for a progress update on the pursuit of the remaining £4.5m and trust further delivery will improve the forecast outturn.	See commentary
7.2	Following discussions with AB Finance colleagues this week, an additional recurring funding value of £1.8m will be provided for the 2024/25 pay award impact on Bank, as the original value requested by the HB last year, was materially lower than the costs incurred. As this is a benefit to the 25/26 position, we are expecting this to have a positive impact on the forecast outturn being reported.	See Commentary
7.3	The unplanned cost pressures have increased from £22.050m in Month 6, to £23.385m in Month 7. The Health Board will need to demonstrate that actions are being taken to strengthen cost controls, to ensure these pressures do not continue to deteriorate further.	See commentary
7.4	By the Month 9 submission, all organisations are being requested to provide a table showing each of the cost pressures and spend reductions by issue, the recurring and non-recurring split and the FYE [®] , with a supporting narrative.	Noted
5.3 c/f	With reference to the response to AP 5.3, please provide further information in relation to the additional £1m described as 'Litigation'.	See commentary
7.5	Please explain the £1.181m increase in Medical & Dental Agency/ Locum forecast expenditure, at Month 7.	See Commentary
7.6	Agency expenditure is forecast to reduce by 14.4% (down from 18.2% at Month 06) against the target of a 30% reduction from the 2024/25 outturn. Furthermore, the forecast agency spend for Healthcare Support Worker, Admin & Clerical, and Estates & Ancillary staff totals £1.6m from 1 October 2025, despite the zero-target set out in the Ministerial Enablers. Please fully utilise and implement the Ministerial Enablers to deliver both financial and operational benefits. Colleagues in FP&D will discuss this further in your regular meetings.	See Commentary

7.7	We trust that the opportunity relating to 25/26 Bank funding will be removed following the discussions with AB Finance colleagues and confirmation of the pay award funding this week, that includes an uplift for Bank.	Noted
7.8	Please confirm that you are recognising the risk reported by the JCC (at M7) for your Health Board, of £0.773m.	Actioned
7.9	The additional WRP contribution is reported at £9.7m within the narrative, yet this is shown as £9.0m in Table A2. Please ensure the values are consistently reported.	Actioned
7.10	FP&D colleagues have noticed that the names of some schemes have changed across recent submissions. While we appreciate efforts to increase clarity, this has made it challenging to track schemes consistently throughout the financial year. Specifically, this affects CORP-87 and CORP-89. Once a scheme has been included, please avoid renaming it. If a scheme will no longer deliver, please leave it in place and update the associated forecast values to zero rather than removing or renaming it.	Noted
7.11	In addition, FP&D colleagues have noted that schemes that were Amber at Month 5, were converted to Green at Month 6 and have been changed back to Amber at Month 7. This is not satisfactory and FP&D colleagues will be raising this at the regular meetings with the AB Team	See Commentary
7.12	There is still one 'Month 1' Amber scheme with a 'go green' date of 1 st December (SUR-16). Please be reminded that such schemes should have been converted within 3 months of first being included within the Tracker (Table C3). If there is insufficient certainty around delivery, that is preventing the scheme from being converted to Green by Month 8, then it should be removed and an alternative mitigation found to replace it.	Actioned
7.13	At Month 7, the Tracker includes a further 9 Amber 'In-Year' schemes totalling £3.4m. It is assumed that the risk of non-delivery included in Table A2, quantified as £2.0m, is linked to these schemes. The schemes should be converted to Green by Month 8 thus providing the assurance we are seeking around robust delivery of plans. Should the risk remain at Month 8, then we will be requiring alternative schemes to be identified, as certainty on savings plans was required at Month 6.	See Commentary
7.14	The following schemes relate to the step-up in savings during Q4. Please provide further supporting details for the profile of the material schemes and consider if these could be brought forward. Please provide further details to support the RISP scheme value being in March. In relation to the Health Protection scheme, this would appear to be a spend reduction rather than saving scheme (cost avoidance at the most); however, please clarify if you have advised the WG Policy Team of this assumed saving.	See Commentary
7.15	Please update the contact information for the anticipated income relating to 'Dermatology Minor Outpatient Procedures'.	Updated
6.11 & 6.12	Thank you for your response to AP 6.11, which confirms that the year-to-date figure for Quarter 2 for 'Employers' Superannuation' (line 18) should be £0.994m. The response to AP 6.12, which stated that the reported dental income and expenditure lines would be reviewed for the next submission, is noted. It is assumed that both these issues will be actioned for the Q3 submission.	Noted
Month 8		
8.1	The narrative acknowledges that work needs to be undertaken to robustly assess the c/f underlying position and that balancing figures have been included so far this year to maintain the original planned forecast of £14m deficit. As previously advised, we are requesting that a specific table be presented at Month 9 outlining all cost pressures and spend reductions by issue, the breakdown between recurring and non-recurring items, as well as the full-year effect (FYE (R)).	See Commentary
8.2	The response to Action Point 7.1, is noted. Given that the £5m opportunities being progressed by the Board were originally to target a reduction in the forecast deficit, please clarify what additional cost pressures have been incurred, since the outturn was increased to £19.9m, that have consumed the £2.9m of opportunities delivered to date. It is noted that the NWSSP savings opportunity of £0.5m, recognised this month, has offset the recognition of additional Winter Pressure costs (£0.5m) this month. It is also noted that an element of the benefit from the additional 24/25 Bank pay award funding (£1.8m) was used to mitigate additional costs of the '45 minute handover' (c£0.220m). The narrative describes	See Commentary

	that the balance of opportunities (£2.1m) are under review. It would be useful to show these within the opportunities section of Table A2 as it is assumed that these would now be required to mitigating the new risks that were added at Month 8, should they crystallise.	
8.3	Please provide a supporting explanation for the following movements in expenditure: <ul style="list-style-type: none"> • Table B2 - Non-pay - unplanned cost pressures have decreased by £0.956m compared to last month. (Action Point 8.3a) • Table B2 – CHC – unplanned cost pressures forecast has a material step-up in Jan to Mar. (Action Point 8.3b) 	See Commentary
5.3 c/f	Following on from the response to Action Point 5.3b relating to the £1m provision (cost pressure); please clarify if this relates to the first £25k of each case which is paid by the Health Board. The WG provides AME 'Provision' funding for the WRP cases £25k+, therefore further clarity is being sought on the DEL Provision being created by the Health Board.	See Commentary
8.4	The profile of the future monthly positions requires further review. The position for December (£2.167m deficit) suggests a material deterioration on trend, that is then recovered in the final 3 months. Excluding the AME expenditure and the associated RRL, the remaining income appears to be under phased in December when considering the profile of all other expenditure and acknowledging the spend will include the profile of the forecast outturn deficit. (diff between income and expenditure exc AME: Dec -£2.133m, Jan -£0.851m, Feb -£0.490m, Mar +£0.218m). We will look to the next submission for confirmation of the position in January.	See Commentary
8.5	Following the letter issued by Hywel Jones dated 10 December 2025, in relation to the support for the additional WRP forecast deficit, the WG will be recovering £6.568m from the HB for the WRP risk-sharing contribution (being the share of the original pressure of £36.056m based on the final RSA of 18.22%). We would not expect the HB to report any further risks in Table A2 this year, if the NWSSP worst case forecast does not exceed £49m.	See Commentary
8.6	It is disappointing that the Health Board continues to report risks relating to the non-delivery of the savings plan (£2.0m), despite the Welsh Government being clear that 100% confidence was to be provided by the 11 September. As all schemes (except the minor new scheme added at Month 8) are classified as Green, it will be considered unacceptable to continue to report uncertainty on the delivery of the savings plan at Month 9.	See Commentary
8.7	All organisations reporting deficits must ensure there are robust internal governance and accountability mechanisms in place to prioritise and make the necessary choices on resource use, such that organisations can, as a minimum, deliver on their board approved financial plans. Despite this, the Health Board has introduced two material risks this month relating to Secondary Care Drugs £1.7m and Mental Health Variable Pay £2.0m, both of which are not yet included in the expenditure profiles. We will look to the next submission for an update on the risk value assessment, and the controls being added to ensure that these costs do not crystallise or can be minimised and fully mitigated with alternative opportunities.	See Commentary
8.8	It is also noted that additional forecast costs have been included in the expenditure position this month, for two 'TBC' risk items being Winter Pressures and 45 minute handover. Please confirm if, following the addition of the costs into the position, are there still further risks relating to these areas.	See Commentary
8.9	Please clarify the reason for reducing the RTT Income risk to £3.0m, when the anticipated income and narrative still refers to a value of £3.9m which has not been agreed by Welsh Government.	See Commentary
8.10	As part of the work to assess the c/f underlying position, please review the FYE of the recurring schemes. If there is no in-year delivery on a recurring scheme, then there can be no FYE taken towards the underlying position. It is also noted that some schemes are delivered less than £1k in total for the year and therefore it may be prudent to not assume a FYE.	See Commentary
8.11	Following the email from Gary Young, dated 15th December 2025, please ensure the highlighted income/expenditure variances between your Health Board and DHCW are eliminated by Month 9.	See Commentary
8.12	please update the following in future submissions - the WG allocation references in line 1 of Table E to reflect the correct number.	Noted

8.13	please update the following in future submissions - cell C8 of Table I, to reflect the latest CRL schedule, which for Month 8, was 26th November 2025	Noted
Month 9		
8.1 c/f	Thank you for the update in relation to AP 8.1, relating to the assessment of the c/f underlying position. For Month 10, please provide the requested table that sets out the following: <ul style="list-style-type: none"> • All cost pressures and spend reductions by issue. • A clear breakdown of recurring vs non-recurring items. • The full-year effect (FYE (R)) of each item; and All temporary balancing item values should be removed by the Month 10 submission and replaced with the above analysis reported via entries in Table B2.	See Commentary
8.2 c/f	Please list the cost pressures that have consumed the £2.9m of opportunities delivered to date	See Commentary
9.1	It is again noted that the Secondary Care Drug expenditure is forecast to materially increase in the final quarter and this is being described via Table A2 as relating to cost pressures phased as per the below extract. It is noted that there was no cost pressure experienced in December. Justification for the inclusion of a risk that expenditure could deteriorate further by £1.7m is requested.	See Commentary
9.2	It is unclear why the risk relating to Bands 2/3 with a 'TBC' value remains listed in Table A2. The narrative acknowledges that the WG has confirmed that funding will be provided in 25/26 for the impact of the payment/accrual or provision. Please review this inclusion for the next submission.	See Commentary
9.3	Please clarify why there continues to be an entry in Table A2 described as 'Wage awards/Pay settlements funding' TBC'.	See Commentary
8.7 c/f	Noting the response to AP 8.7, which appears to focus on asserting that the two risks were not new, there was no response to what was being sought i.e. that controls are being added to ensure that these costs do not crystallise or can be minimised and fully mitigated with alternative opportunities. In relation to your response to AP 8.7, the below table shows the risk values reported since Month 6 to Month 9. The risks associated with Mental Health Variable Pay and Secondary Care Drugs were not quantified in the table until last month and therefore were new values impacting the worst case and best case scenarios - risks are only included in the all Wales reports, such as the Leadership Report, when quantified. In the case of all the items marked as 'TBC', the guidance requires the narrative to provide a timeframe for when quantification will be known. Going forward please ensure that, for material risk items, a quantified value is included promptly in Table B2.	See Commentary
9.4	Please clarify which is correct value for the RTT funding risk: Table E appears to include anticipated income with a value of £3.951m described as 'Planned Care/RTT Funding above current level' (line 30). The narrative however, refers to a reduced request of £3.4m and this is supported by a risk entry in Table A2 (line 25) of £3.4m described as 'Allocation Income Risk – Planned Care Q1 and Q2 & Efficiencies'. It is no longer clear why there is also an entry in Table A2 (line 14) described as 'RTT not funded – National outsourcing' 'TBC' and a further item described as 'National O/P insourcing shortfall' 'TBC'. If there are risks relating to funding outside of the £3.4m issue, then these should be urgently discussed with Nick Wood and the Planned Care Team.	See Commentary
9.5	Noting the response to AP 8.6, we again raise concern that the outturn position relies on assumed Accountancy Gains in March of c £3.6m, where the Health Board itself deems there to be a risk of delivery of £2.0m. The WG previously requested in September for 100% confidence on the delivery of your plans to achieve the outturn was required. If the Health Board continues to report this risk in future submission, then robust mitigating actions to the same value must also be reflected in the Opportunities section. It will not be acceptable for the Health Board to deteriorate its outturn position if these Accountancy Gains do not progress as reported.	See Commentary
9.6	Please provide a sufficiently detailed progress update on the opportunity item of £1.3m listed in Table A2, which relates to the following items described in the narrative.	See Commentary
9.7	There is a validation error on Table B2 from Month 5 due to the 'Variation from Plan' not reconciling with Line 154. This appears to be caused by formulas being entered, resulting in rounding differences. For future submissions, please ensure that only whole numbers are entered in Table B2.	See Commentary

9.8	Within Section J (Joint Financing and Other), an invalid negative value has been reported on the Unplanned Cost Pressure line. Please correct this error for the next submission within the January column.	See Commentary
9.9	We will look for confirmation next month, that the two in-year Amber schemes have converted to Green, as they both have planned 'go-green dates' before the date of the M10 MMR submission.	See Commentary
9.10	Following the email from Gary Young, dated 16th January 2026, please ensure the highlighted income/expenditure variances between your Health Board and CTM are eliminated by Month 10.	See Commentary
9.11	It is acknowledged that the YTD payment performance for Non-NHS invoices exceeds the best practice (95%), at 97.2%. The YTD performance for NHS invoices falls short of 95%, at 92.7%; however, it is very encouraging to see that during Quarter 3 performance was 96.2%. We trust this performance will be sustained going forward and whilst it may not be possible to fully recover the cumulative performance by year end, the Health Board look to be in a good position to achieve this next year.	See Commentary
9.12	Please provide a regular progress update on the Band 2/3 issue in the narrative, if you are not yet in a position to include the costs and anticipate the funding in the template submission. Details should include the latest assessed value analysed between likely actual cash payment before year end/accrual/provision. Please note that the losses element, will need WG approval before funds can be issued.	See Commentary
Month 10		
c/f Action Point 8.1)	Thank you for the high-level summary in relation the emerging assessment of the carry-forward underlying position for the 26/27 IMTP. Following the Touchpoint session, further work was required to seek to improve upon the position currently presented. For the Month 11 submission, noting that there may be changes as a result of the continued challenge to the position, please return to the list provided in the narrative and re-provide with additional information, as follows: (see table in reply letter)	See Commentary
10.1	Given that the Health Board is not yet in a position to quantify the Band 2/3 costs (accrual/provision) for 2025/26, we have assumed that the underlying position at Month 10 does not yet include the assessment of the recurring impact. If that is not the case, then please clarify the situation.	See Commentary
10.2	Please work with colleagues in the FP&D, as further information is being sought on the key factors driving the major in-year cost pressures across Primary Care Drugs & Appliances, Pay, Non-Pay, Secondary Care Drugs, and CHC & FNC.	Noted
10.3	The narrative Table on Page 2, states there is a benefit to the position of £0.6m from 'revised forecasts for Optom, GDS and GMS'. Please clarify why this has not been shown as a spend reduction in Table A2 in Primary Care Contractor.	See Commentary
10.4	Please clarify where the benefit from the confirmed NWSSP savings (£0.5m) has been recorded in the tables. If this is shown as in-year income in the SOCNE, then it should also be recorded in Table A on line 19, as it is part of the mitigations for the unplanned cost pressures reported on line 22.	See Commentary
c/f Action Point 9.3 & 9.4)	The response to AP 9.3 and 9.4 is noted. The text lines are now protected because the spreadsheet has been compromised by dragging cells within the tab. We will send you a 'fixed' version and then the text can be removed.	Noted
c/f Action Point 9.5	Whilst it is acknowledged that the risk to the delivery of savings has been reduced to £1.0m, the Health Board is not following the spirit of the guidance where there should be no assessed risk to delivery if the scheme is classified as Green. As the Month 11 submission is due mid-March, it is expected that the Health Board will have secured certainty of delivery and the risk removed.	Noted
c/f Action Point 9.2	Noting the response to AP 9.2, it remains our view that the risk relating to Bands 2/3 should be removed. WG has provided confirmation that funding will be provided for costs recorded in 2025/26 therefore there is no risk to HBs 2025/26 outturn position. We trust you will be able to include the estimated costs for the accrual/provision and anticipate the funding in the template submission at Month 11 ensuring the narrative clarifies the current assumption relating to the timing of the cash payments in 26/27. Please also be reminded that a losses submission will need to be sent to John Evans (WG) and subsequently agreed, before funding for any total accrual/provision can be issued. At the appropriate	See Commentary

	time in 26/27 when the final values are known/paid, please confirm the position to WG, noting that any additional funding will not be available and any surplus funding may be recovered.	
10.5	Please explain the increased expenditure reported in Month 10 within the Nursing & Midwifery line, which is £0.603m higher than the value that was forecast for January last month, and include details to support why the increase is being treated as a oneoff.	See Commentary
c/f Action Point 9.9	Thank you for the update on Action Point 9.9. At Month 10, there remains one Amber scheme with an in-year delivery of £0.020m (PCC-102) which has been on the Tracker for over months. We trust this will be converted to a Green scheme, before the M11 submission.	See Commentary
10.6	We have assumed that the additional £3.09m of savings/opportunities (as per the narrative Table on page 2) include the items in the table below (part of the £5.0m Opps that have been progressed this year, with the balance to be progressed in 26/27) and that these have been recorded in the Tracker. If this is not the case, then please clarify.	See Commentary
c/f Action Point 9.10	The response to AP 9.10 is noted, where it was stated that discussions are ongoing with CTM and additional information had been requested - until provided the current dispute remains regarding the proposed £300k inpatient charges. Hopefully this has since been resolved, however please confirm the position in the Month 11 submission.	See Commentary