Iechyd gwell
Gofal gwell
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Better health
Better care
Better lives

Swansea Bay University Health Board Annual Report 2025-26

GIG CYMRU NHS WALES

Bwrdd Iechyd Prifysgol
Bae Abertawe

Swansea Bay University
Health Board

Contents

Statement of the Chief Executive's Responsibilities as Accountable Officer

The Welsh Ministers have directed that the Chief Executive should be the accountable officer to the Health Board.

The relevant responsibilities of accountable officers, including their responsibility for the propriety and regularity of the public finances for which they are answerable, and for the keeping of proper records, are set out in the accountable officer's memorandum issued by Welsh Government.

I can confirm that:

To the best of my knowledge and belief, there is no relevant audit information of which the Health Board's auditors are unaware, and I have taken all steps that ought to have been taken to make myself aware of any relevant audit information and to establish that the auditors are aware of that information.

The annual report and accounts as a whole are fair, balanced, and understandable, and I take personal responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in my letter of appointment as an accountable officer. The accountable officer is responsible for authorising the issue of the financial statements on the date they were certified by the Auditor General for Wales.

Date: 25.06.26 Chief Executive: 

Statement of Directors' Responsibilities in Respect of the Accounts

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

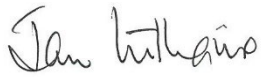
In preparing those accounts, the directors are required to:

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

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

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

By order of the board, signed:

Chair  Date: 25.06.26

Chief Executive  Date: 25.06.26

Interim Director of Finance  Date: 25.06.26

About the Health Board

Swansea Bay University Health Board plans, commissions and delivers healthcare services for the people of Neath Port Talbot and Swansea, and works to improve their health and wellbeing. We serve a population of approximately 400,000, have a budget of around £1.8 billion and employ over 14,000 staff.

We have three major hospitals providing a range of services: Morriston and Singleton hospitals in Swansea and Neath Port Talbot Hospital in Baglan, Port Talbot. We also have a community hospital at Gorseinon, an inpatient specialist mental health provision at Tonna Hospital and primary care resource centres providing clinical and wellbeing services outside the main hospitals.

We provide more than 70 specialised services to the populations of south-west Wales, south Wales and for certain services, on a Wales-wide and UK basis. These are commissioned by the other Health Boards in Wales either through the NHS Wales Joint Commissioning Committee or directly.

Primary care independent contractors play an essential role in the care of our population, and the health board commissions services from 44 GP practices, 32 optometry practices, 63 dental practices (including orthodontic and specialist providers) and 90 community pharmacies across our region.

Mental health and learning disability services are provided in both hospital and community settings for residents within the Swansea Bay region, and we provide a regional service for both learning disability and forensic mental health services.

There are four all-Wales services hosted by the Health Board:

- Emergency Medical Retrieval and Transfer Service (EMRTS) – provides advanced decision-making and critical care for life or limb-threatening emergencies requiring transfer for time-critical treatment at an appropriate facility;

- Major Trauma Network Operational Delivery Network – provides the management function overseeing the major trauma network, coordinating patient transfers between the major trauma centre, trauma units and local hospitals and enhancing major trauma learning to improve patient outcomes, patient experience and quality standards from the point of wounding to recovery;

- Lymphoedema Network – manages the Lymphoedema Network Wales National Team;

- Spinal Operational Delivery Network – the management function for the network, co-ordination of patient flow across the spinal pathway, lead the development, and coordinate implementation and delivery of standards and pathways.

The Board has a clear purpose, ambition, strategic aims, and strategic objectives have been developed to fulfil our civic responsibilities by improving the health of communities, reducing health equities and delivering prudent healthcare in which patients and service users feel cared for, confident and safe. These are set out in our Annual Plan.

While our objectives ensure we meet national and local priorities and professional standards, our ways of working are underpinned by a values and behaviour framework, which was developed following many conversations with staff, patients and service users, relatives and carers. These are at the heart of all that we do.

Foreword: Jan Williams CBE, Chair of the Board

On behalf of the Board, I am pleased to present the Annual Report for Swansea Bay University Health Board for 2025-26.

This has been a year of both progress and continued challenge. Board members are clear that, while improvement has been made in a number of areas, we are under no illusion about the scale of further progress required.

The Board is acutely aware of the significant levels of deprivation across the population we serve, and the impact that this has on health outcomes, demand for services and persistent inequalities. This context is the fundamental underpinning of our role as a Board—shaping our strategic priorities, informing our assessment of risk, and reinforcing the importance of working in partnership to improve population health

Throughout the year, the Board has maintained a strong and consistent focus on its core responsibilities of leadership, governance, oversight and accountability. This has included close scrutiny of performance, quality and safety, together with a strengthened approach to risk management and assurance. Where services have not met the standards expected, the Board has not hesitated to discharge its role around appropriate challenge, ensuring transparency and agreeing action.

Board members have focused particularly on areas of known concern, including maternity and neonatal services, mental health and learning disability services, and urgent and emergency care. We received and accepted the outcome of the Independent Maternity and Neonatal Review and also approved, in principle, a Perinatal Improvement Plan, recognising the importance of restoring confidence and ensuring safe, high-quality care for all patients and families.

There has also been a clear and necessary strengthening of the Board's role as the Governing Body, through enhancing the approach to performance and financial oversight, improving systems, bringing in clearer lines of accountability and a more disciplined approach to governance. These developments represent important progress in the maturity of the Board itself and the organisation.

The Board recognises that significant challenges remain. In particular, delays in patients following throughout pathways through our hospitals,

including high numbers of clinically optimised patients (those patients who have no ongoing need for clinical treatment), continue to impact on patient experience, safety and system performance. We also acknowledge that the organisation has still to make the required progress in reducing the financial deficit and charting the path back to financial balance and sustainability. These issues remain central to the Board's oversight and call for collective ownership, unswerving focus and urgent action from all of us across the wider system.

Partnership working continues to be vital. The Board has strengthened its engagement with key partners, including with Hywel Dda University Health Board, through the Regional Joint Committee, Neath Port Talbot and Swansea local authorities and the Third Sector, recognising that we cannot address alone many of the challenges facing the health system.

Board members acknowledge and own both the scale of the challenge and the need for continuing progress. Over the past year, we have, through necessity, focused on strengthening the fundamentals of governance, performance and accountability. This provides a strong foundation for the next phase of improvement.

On behalf of the Board, I would like to place on record our sincere thanks to staff for their professionalism, compassion and continued commitment. They go the extra mile every day in caring for patients, service users, families and communities. I would also like to thank partners and stakeholders for their support and collaboration

I am privileged to serve as Chair of Swansea Bay University Health Board, and I am confident that the Board will continue to provide the leadership, governance, oversight and assurance required to support continuous improvement in the years ahead. I am indebted to all my Board colleagues for their contributions, advice and guidance throughout the year.

Jan Williams, CBE

Introduction: Chief Executive's Overview

I am pleased to present this Annual Report, which sets out the progress we have made over the past year, alongside the challenges we continue to face as an organisation. Having now completed my first year as Chief Executive, I have seen first-hand both the strength of our organisation and the scale of the work still required.

During the year, our teams have worked with dedication and determination to deliver improvements across a number of key areas. In planned care, we have made significant progress in reducing long waits and improving access for patients. This has included delivering thousands of additional outpatient appointments, with up to 25,000 extra appointments, and substantial reductions in waiting lists across a number of specialties, by as much as 90% in some cases. Earlier access is enabling faster diagnosis and treatment, including for patients with serious conditions, improving outcomes at a crucial stage.

We have also taken important steps to strengthen the quality and safety of our services. We have progressed the Independent Maternity and Neonatal Review in a transparent and compassionate way, through the development of a clear Perinatal Improvement Plan to drive the changes required. We have increased our focus on governance and performance, taking action where needed to address areas of concern. Mental health transformation has also been a key priority, with a strengthened focus on patient-centred care, service quality, safety and governance across Mental Health and Learning Disability services.

Despite this progress, significant challenges remain.

We serve a population with some of the highest levels of deprivation in Wales, and this has a profound impact on demand for our services, the complexity of need, and the outcomes our communities experience. Health inequalities are reflected in higher rates of long-term conditions, later presentation and greater reliance on urgent and emergency care. This context is a critical factor in both the pressures we face and the way we must respond—strengthening our focus on prevention, early intervention and partnership working across the system.

Our urgent and emergency care system continues to operate under sustained pressure. However, the changes implemented during the year are beginning to deliver measurable improvement. Even at times of peak demand, performance in key areas has improved compared to previous periods, including reductions in ambulance handover delays and in the

time patients wait for a bed. Despite this, too many patients still experience delays, particularly where discharge from hospital is not possible in a timely way. This remains a critical issue for patient experience, safety and system flow.

We also face ongoing financial challenges. While we have strengthened our approach to financial management and delivered against our planned position, we have not yet reduced our underlying deficit. Addressing this will require continued focus, discipline and system-wide action. Fundamentally, our route to financial sustainability lies in improving quality and consistently doing the right things for patients first time. By reducing unwarranted variation, avoiding harm and improving flow through our services, we will improve outcomes and experience while making best use of our resources and reducing avoidable cost. This is the shift we are now embedding across the organisation.

In response, we have focused on strengthening the foundations of the organisation—improving governance, clarifying accountability and building greater consistency in how we manage performance.

This year represents a clear shift in how we operate. It is not about doing more of the same, but about doing things differently—being more disciplined in how we prioritise, more consistent in how we deliver, and more focused on the changes that will have the greatest impact for our patients and communities.

Alongside this, we have refreshed our strategy, *A Healthier Swansea Bay*, and are developing our Clinical Services Strategic Plan, *Transforming for the Future,* which will provide a clear roadmap for how services will evolve over the coming years. This is complemented by our *Organised for Success* redesign programme, strengthening our organisational structure, culture and approach to improvement.

We are clear about the next phase of our journey. Having focused on strengthening the foundations this year, we will now move into a period of transition in 2026/27—shifting from preparation to delivery, and from intent to measurable impact, before progressing into longer-term transformation to ensure the sustainability of our services.

None of this would be possible without our staff. Every day, I continue to be impressed by the professionalism, compassion and resilience shown across our organisation. I am deeply grateful for everything they do for our patients and communities.

We will continue to work closely with our partners across local government, the third sector and Welsh Government to address the

challenges we face and to improve the health and wellbeing of the population we serve.

Abigail Harris
Chief Executive

Performance Report 2025-26

Our Performance Summary

The financial year 2025-26 was another highly pressurised year. During the year the Health Board was monitored against its escalation status and remained in Targeted Intervention for Urgent Emergency Care, Cancer and some elements of infection control. The Health Board also remained in Enhanced Monitoring for CAMHS and Planned Care. Significant progress has been made in planned care and good progress has been seen throughout Q2 and Q3 for Unscheduled care.

In November 2024, the escalation status for finance and planning was increased from enhanced monitoring to targeted intervention due to the challenging financial position.

On 12 April 2024, the Health Board had its inception meeting with Welsh Government colleagues and on 24 April 2024 the first quarterly meeting was held with the Chief Executive of NHS Wales. Quarterly meetings subsequently alternate with formal Joint Executive Team (JET) meetings. Monthly review meetings are with Welsh Government officers focussing on key updates against the escalated areas. The Chief Operating Officer is the Senior Responsible Officer (SRO) for targeted invention and each work programme is supported by senior management and clinical leads. Summarised updates against the escalation levels will be provided throughout this report.

Following the Tripartite meeting in February 2025, the levels of escalation have been revised and updated as follows;

- Child and Adolescent Mental Health Services de-escalated from level 4 (targeted intervention) to level 3 (enhanced monitoring).
- Planned care de-escalated from level 4 (targeted intervention) to level 3 (enhanced monitoring).

Following the publication of the Independent Maternity and Neonatal Review published on 15 July 2025, the decision was made to escalate Maternity and Neonates to Level 4 (Targeted Intervention) from Level 3 Enhanced Monitoring. Updated de-escalation criteria relating to Maternity and Neonates was published in September 2025 and has been incorporated into this report.

Areas of Escalation Performance

The escalation areas were a focus for the Health Board's performance in 2025-26. Below is a summary of our end-of-year position to demonstrate progress against final figures for 2025-26.

Performance against Areas of Enhanced Monitoring (Level 3)

Measure	De-escalation Target	March 2025	March 2026
Planned Care			
Number of patients waiting less than 52 weeks for an outpatient appointment	100% of open outpatient pathways to be waiting less than 52 weeks and maintained for 3 months.	100%	100%
Number of patients waiting less than 104 weeks at all stages	100% of open pathways to be waiting less than 104 weeks and maintained for 3 months.	100%	100%

Measure	De-escalation Target	March 2025	March 2026
Planned Care			
Number of patients waiting less than 26 weeks for an outpatient appointment	Continuous improvement towards 75% of all open outpatient pathways waiting less than 26 weeks	71.63%	86.90%
Number of patients waiting less than 36 weeks at all stages	Continuous improvement towards 80% of all open pathways waiting less than 36 weeks	73.13%	78.53%

Measure	De-escalation Target	March 2025	March 2026
Planned Care			
Number of patients delayed by 100% for their Follow-up appointment	12% reduction in the number of patients delayed by 100% for their follow up appointment in three consecutive months and maintained for 3 months (Based on the November 2024 baseline taking the number of patients waiting below 26,194)	4.23% (increase against the baseline, April 2025)	20.29% (increase against the baseline)
R1 ophthalmology patient pathways to be waiting within or no longer than 25% of their target date for an outpatient appointment	68% R1 ophthalmology patient pathways to be waiting within or no longer than 25% of their target date for an outpatient appointment and maintained for 3 months	74.38%	71.03%
Number patients waiting less than 8 weeks for a diagnostic test	85% of patients waiting for a diagnostic test to be waiting less than 8 weeks and maintained for 3 months.	82.08%	93.11%
Number of patients waiting less than 8 weeks for a diagnostic endoscopy	85% of patients waiting for a diagnostic endoscopy to be waiting less than 8 weeks and maintained for 3 months.	40.78%	83.14%

Measure	De-escalation Target	March 2025	March 2026
Planned Care			
Number of patients waiting less than 9 weeks for a NOUS and non-cardiac MRI**	85% of patients waiting for a NOUS and non-cardiac MRI to be waiting less than 8 weeks and maintained for 3 months.	99.96%	92.80%
Number of patients waiting less than 14 weeks for therapies	90% of patients waiting for therapies to be waiting less than 14 weeks and maintained for 3 months.	100%	100%

The Planned care de-escalation criteria has been met for three consecutive months in the following areas:

- Number of patients waiting less than 52 weeks for an outpatient appointment (Target met since October 2023)
- Number of patients waiting less than 104 weeks at all stages (Target met since March 2025)
- Number of patients waiting less than 26 weeks for an outpatient appointment (Target met since September 2025)
- R1 ophthalmology patient pathways to be waiting within or no longer than 25% of their target date for an outpatient appointment (Target met since May 2024)
- Number of patients waiting less than 14 weeks for therapies (Target met since July 2025)

Child and Adolescent Mental Health Services			
Number of LPMHSS* mental Health assessments undertaken within 28 days from receipt of referral	80% of LPMHSS mental health assessments undertaken within 28 days from the date of receipt of referral.	75%	82%

Child and Adolescent Mental Health Services			
Number of therapeutic interventions started within 28 days following an LPMHSS assessment	70% of therapeutic interventions started within 28 days following an assessment by LPMHSS.	100%	81%
Number of HB residents in receipt of a secondary mental health service who have a valid care and treatment plan	85% of HB residents in receipt of secondary mental health services who have a valid care and treatment plan.	98%	90%

Please Note: CAMHS De-escalation criteria has been met and maintained since December 2025

***LPMHSS – Local Primary Mental Health Services**

** NOUS – Non-Obstetric Ultrasound Service

Performance against Areas of Targeted Intervention (Level 4)

Measure	De-escalation Target	March 2025	March 2026
Cancer			
% Patients started treatment within 62 days on a Single Cancer Pathway	60% performance maintained for 3 months against the Single Cancer Pathway (SCP) target.	62.2%	55%

Unscheduled Care			
Number of ambulance handovers over an hour	A continuous reduction of ambulance handovers over an hour of at least 11% in three consecutive months and maintained for 3 months (Based on quarter 2 and 3 2023 baseline of 494).	555 (0.18% reduction on previous month)	595 (18.8% increase on previous month)
Number of patients waiting over 12 hours in A&E	Continuous improvement towards no more than 7% of patients waiting over 12 hours at each individual site and across the health board.	11.3%	11.26%

Median time from arrival at an emergency department to assessment by a clinical decision maker	Median time from arrival at an emergency department to assessment by a clinical decision maker should not exceed 60 minutes.	82.21%	80.34%
Number of delayed Pathways of Care	A continuous reduction in delayed pathways of care of 5% for three consecutive months and then maintained for three months (based on Oct-Dec 23 baseline of 176).	219 (13.7% reduction on previous month)	223 (11.5% increase on previous month)

Infection, Prevention & Control			
Number of hospital onset infections of C-Diff	C-Diff: reduce the number of hospital onset infections by 40% and maintain for 3 months (from a baseline of the average number of cases in quarter 3 of 10 cases to no more than 6 per month)	15	12
Number of hospital onset infections of Staph aureus	Staph aureus: reduce the number of hospital onset infections by 25% and maintain for 3 months (from a baseline of the average number of cases in quarter 3 of 4 cases to no more than 3 per month)	3	5
Number of hospital onset infections of E-coli	E-coli: reduce the number of hospital onset infections by 20% and maintain for 3 months (from a baseline of the average number of cases in quarter 3 of 5 cases to no more than 4 per month)	4	6
Number of hospital onset infections of Klebsiella	Klebsiella: reduce the number of hospital onset infections by 10% and maintain for 3 months based on 2017/18 figures (baseline – 54 cases in 2017/18, reduce to average of at most 4 per month)	5	4

Our Performance Report

The Performance and Finance and Quality and Safety Committees receive the integrated performance report at each meeting to track and monitor progress throughout the year. Deep dives are also received by the Performance and Finance Committee on the three highest risk areas – urgent and emergency care, planned care and cancer. In addition, the Board receives this report on a bi-monthly basis along with an in-depth report from the Chief Executive which not only updates on performance but other key areas, such as quality, workforce and achievements. As these reports are readily available from our website and provide a significant amount of detail, our annual report provides a snapshot of some of the work over the year.

Urgent and Emergency Care

Urgent and Emergency Care (UEC) remained a significantly challenged area throughout 2025–26, continuing the performance pressures seen in previous years. The Health Board remained under *Targeted Intervention* in line with the Welsh Government Escalation and Intervention Framework. Despite these pressures, the year included periods of notable improvement, particularly in ambulance handover performance following the Ministerial Advisory Group's mandated 45-minute and 15-minute targets. Substantial operational work supported these gains.

Background and Early Improvements

During 2024–25, the Getting It Right First Time (GIRFT) review provided critical feedback that highlighted major concerns in the Emergency Department (ED) performance. The Health Board began a focused programme of improvement, including:

- Launch of the Older Persons Assessment Unit (OPAU)
- Enhanced senior decision-maker presence and improved medical rosters
- Minor estates reconfiguration to optimise space and flow

While these actions produced some early benefits, the system was regularly overwhelmed by underlying demand pressures.

Tests of Change and Performance Impact

In 2025–26, a suite of Plan-Do-Study-Act (PDSA) tests of change was implemented to improve assessment, flow, and admission processes. These included:

1. ED assessment and referral to medicine
2. Revised Acute Medical Unit (AMU) medical assessment model
3. Specialty assessment and patient allocation to specialty or General Internal Medicine (GIM) bed pool
4. Introduction of a seven-day Same Day Emergency Care (SDEC) model
5. Criteria-to-reside implementation, and

6. "Your Next Patient" continuous flow model across specialty bed bases, including surgical areas

Additional general medical ward capacity were opened to decompress the ED.

By the end of Quarter 2, key metrics showed significant improvement, despite ambulance demand increasing by 9%. Improvements included:

- **155% reduction** in ambulance handover delays >45 minutes
- **82.2% improvement** in average handover time
- **77% reduction** in ambulance handover hours lost
- **23% improvement** in ED turnaround time
- **38.7% reduction** in patients awaiting admission at 9 a.m.
- Reduction in Clinically Optimised Patients (COP) occupying acute beds
- National Escalation Status levels frequently improved from SL4 (highest pressure) to SL3 and SL2
- ED deaths reduced from 31 pre-test to 13 by end of Quarter 2

Escalation Pressures in Q3 and Q4

Performance dipped in Quarters 3 and 4, with periods of significant strain requiring Business Continuity arrangements. Although overall demand remained stable, flow deteriorated due to:

- Rising patient acuity
- Reduced discharge levels
- Increases in Clinically Optimised Patients (COP) and Clinically Safe for Transfer (CSFT) numbers
- Infection control constraints that limited capacity
- Occupancy within medical specialties frequently exceeding **130%**

This combination significantly impaired ED flow and ambulance offloading capability.

High Intensity User Programme

To alleviate avoidable attendances, the Health Board trialled a High Intensity User role designed to work across agencies and support individuals whose needs were more social than medical. The role aimed to redirect patients to more appropriate non-medicalised support services.

Whole-System Approach and Strategic Alignment

The Health Board recognised that ambulance delays reflect system-wide pressures beyond ED processes. Improvement efforts aligned to three overarching UEC system priorities:

- Pre-hospital pathways and front door services
- Flow improvement
- Discharge optimisation

Governance structures were simplified and strengthened, with integration alongside the West Glamorgan Regional Partnership to ensure a regional, whole-system approach.

All UEC activity aligned to three core principles:

1. Keep people safe and well at home
2. Provide safe community-based treatment wherever appropriate

3. Provide high-quality hospital care only when needed and enable timely discharge

Clinically Optimised Patients (COP)

COPs whose acute care is complete but who cannot be discharged due to social care delays—remained a major constraint across 2025–26. By Quarter 4:

- All three COP indicators (total bed days, average daily patients, occupancy %) increased
- COP pressure was sustained at Morriston Hospital, where COPs represented **15.5–16%** of bed occupancy, up from a 13–14% mid-year baseline

This rise placed considerable strain on front-door services including ED, SDEC, AMU, and OPAU.

Demand and Admission Avoidance

ED attendances remained high:

- 84,000 in 2023–24
- 85,500 in 2024–25
- 82,200 in 2025-26

The Minor Injury Unit (MIU) at Neath Port Talbot Hospital continued to play a critical admission-avoidance role, with attendances exceeding 52,000 annually and remains amongst one of the busiest MIUs in the UK.

Further admission-avoidance initiatives included:

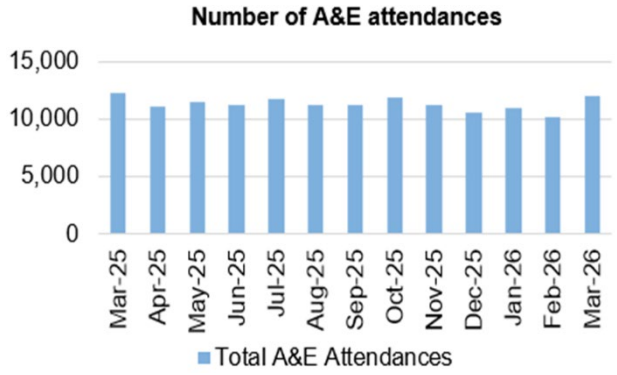
- **Single Point of Access (SPOA)** trial for triage, advice, and redirection
- Integration with community falls pathways
- Redirection pathways to Urgent Primary Care Centres (UPCCs), MIU, Virtual Wards, and other community services
- "Clinical conversation before conveyance" with Welsh Ambulance Service Trust (WAST) to avoid unnecessary ambulance callouts, particularly from care homes

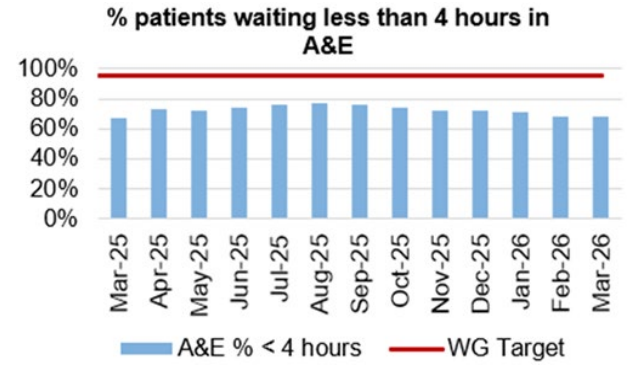
Falls Services

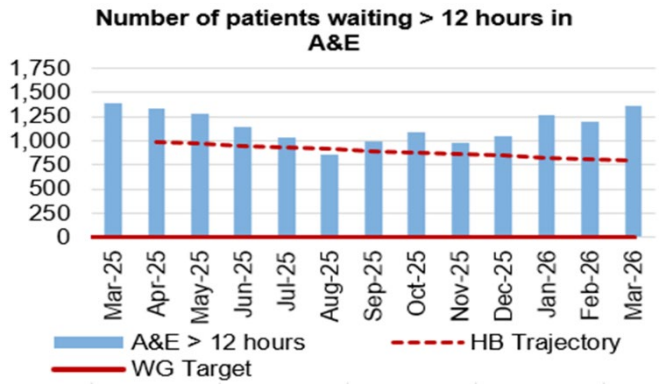
Two levels of community falls services were trialled:

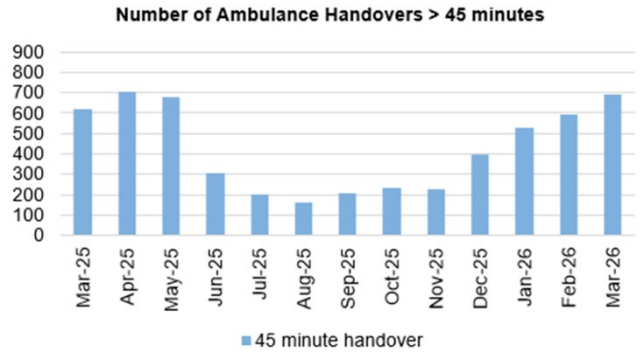
- **Level 1 (non-injurious falls):** Early response to prevent long-lie complications
- **Level 2 (enhanced falls response):** Support for low-acuity fallers with minor injuries, delivered via a repurposed Early Supported Discharge therapy team

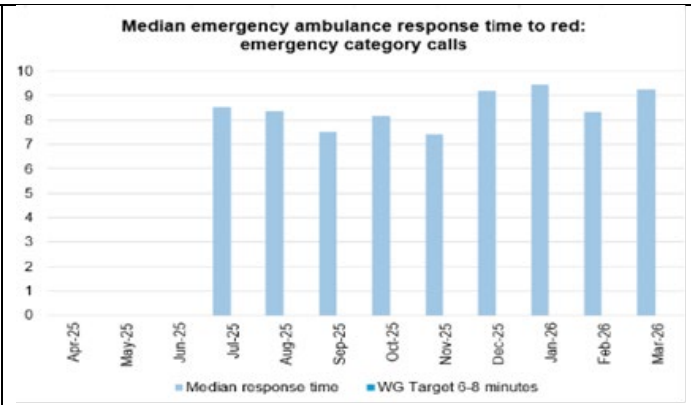
Forward Look: 2026–27
For 2026–27, priorities include implementing whole-system change, strengthening community discharge capacity, sustaining flow to protect ED and ambulance operations, and reducing overcrowding and delays for patients requiring emergency care.











Planned Care

The Health Board continued to see sustained improvement in planned care waiting times during 2025-26. We maintained the Ministerial target of no patients waiting over 52 weeks for an outpatient appointment throughout the year, continuing to perform strongly, relative to the national position, despite ongoing growth in referrals.

Building on the progress achieved in the previous year, the Health Board also eliminated all patients waiting over 104 weeks for treatment by March 2026. This milestone represents a significant organisational achievement and reflects the collective effort of clinical and operational teams across the Health Board.

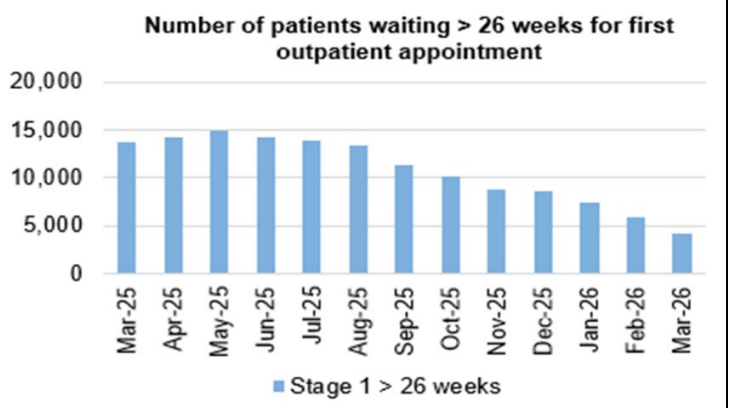
This progress has been supported through a combination of increased activity, waiting list initiatives and targeted use of insourcing and outsourcing. While this additional activity has supported recovery during the year, the Health Board is increasingly focused on improving productivity and making best use of our existing capacity to sustain improvements over the longer term.

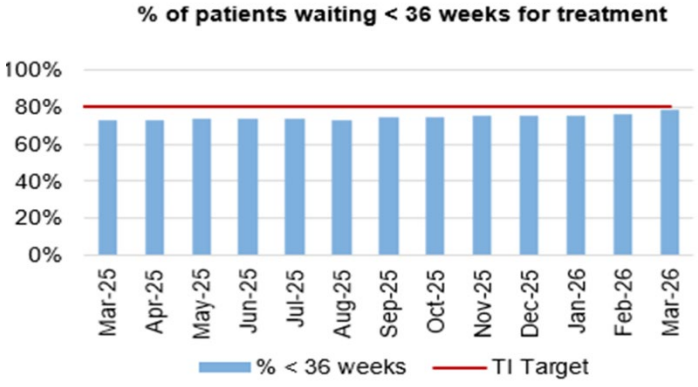
The Health Board has continued to work in partnership with Hywel Dda University Health Board to develop regional approaches to reducing waiting times for Orthopaedics. Locally, work has continued to expand the range and complexity of patients treated at Neath Port Talbot Hospital, supporting improved patient flow across our hospital sites.

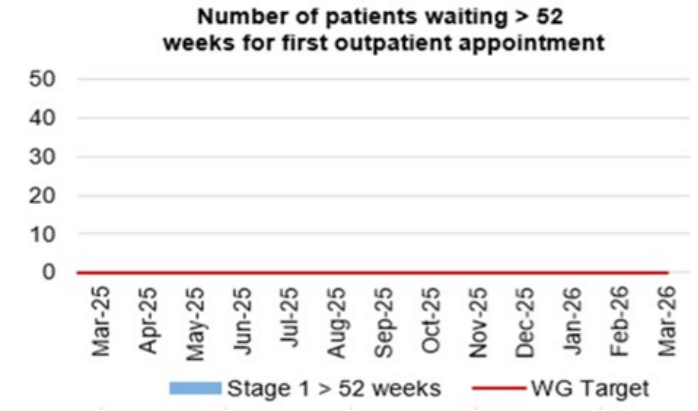
Further strategic developments to strengthen patient flow at Neath Port Talbot Hospital remains a priority, alongside work to improve theatre utilisation, productivity and efficiency across our hospital sites to support a sustainable planned care position in future years.

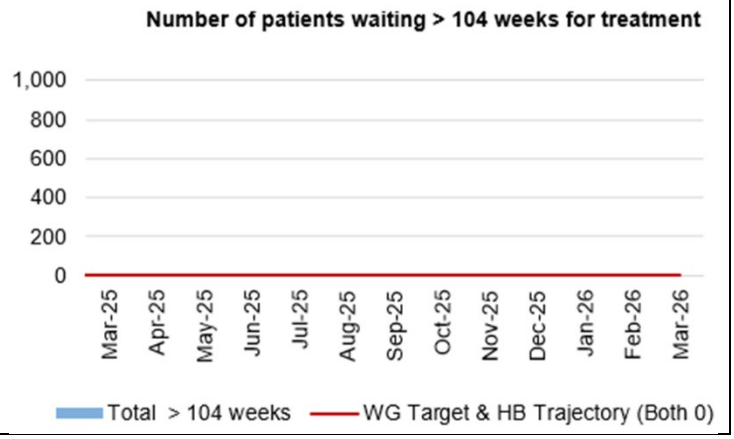
Key initiatives during the year included:

- Strengthening GP-led services to prevent unnecessary referrals to secondary care, enabling diagnosis and treatment closer to home, including pathways such as the pessary service in Gynaecology.
- Developing demand management approaches across primary, community and secondary care to better manage growing referral demand.
- Increasing treatment capacity through targeted use of insourcing and independent sector provision to support waiting time recovery.
- Continuing therapy-led education and lifestyle programmes for patients awaiting arthroplasty surgery to support preparation and recovery.
- Reviewing waiting lists to ensure patients remain clinically appropriate for surgery, with some patients removed from waiting lists where









symptoms had improved. • Supporting patients to optimise their physical condition prior to surgery, improving outcomes and reducing the risk of complications. • Launching a Health Board elective theatre productivity toolkit to support standardisation of processes and adoption of best practice across surgical teams. • Refreshing the outpatient improvement programme to focus on reducing waits for follow-up appointments and modernising outpatient pathways.	

Cancer
Delivery of the Single Cancer Pathway (SCP) (62 days) remains a significant challenge, consistent with the position across Wales. The Health Board remains in Targeted Intervention for Cancer performance. Backlog volumes increased sharply at the start of the year, with recovery evident through to late summer. An imbalance between seasonal demand and available capacity—particularly for skin—subsequently drove renewed growth in waiting volumes. Recovery is now evident again across most tumour groups. From April 2025, performance ranged between 52% and 65% against the 75% target; de-escalation from Targeted Intervention requires achievement of 60% for three consecutive months.

A sustained focus on ensuring patients are seen within two weeks of referral has supported performance, with around 40% of patients reaching a decision to treat (DTT) within 31 days. However, the Health Board continues to face significant diagnostic constraints, most notably in achieving timely histopathology turnaround times. This is despite a range of improvement actions implemented during the year and the use of outsourced capacity.

While improvements have been achieved during the year, the Health Board recognises that further sustained action is required to reach the 75% compliance target.

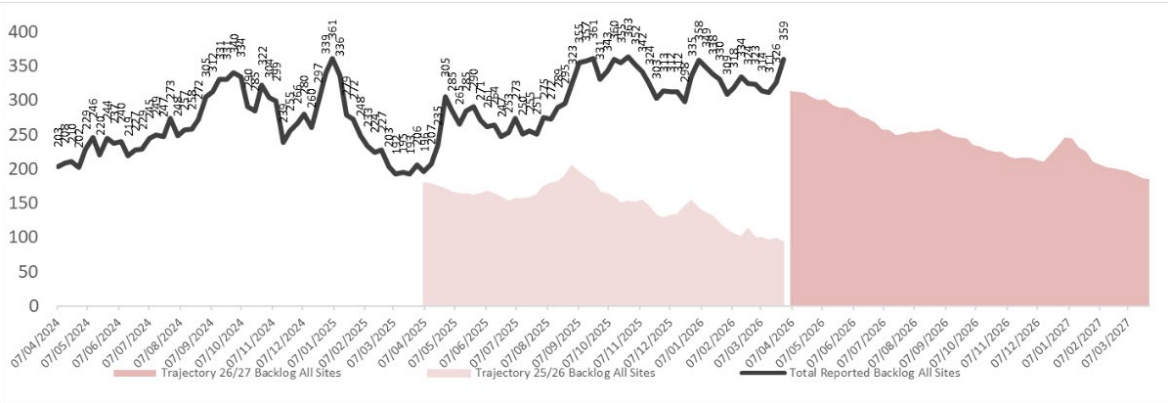
Key priorities for 2026/27 are to:

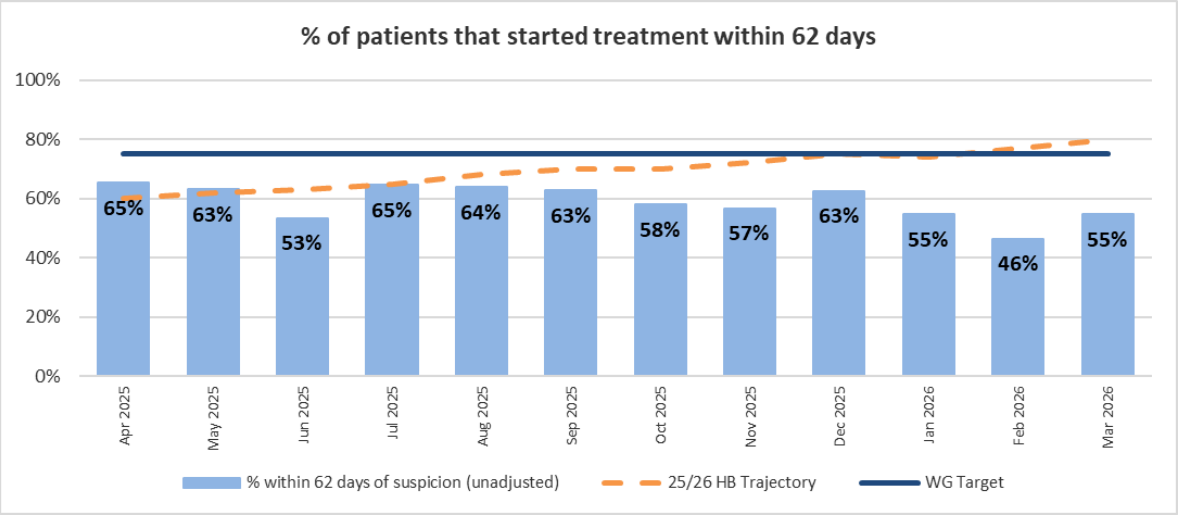
- Maintain a focus on ensuring patients are seen within two weeks of referral for urgent suspected cancer.
- Reduce diagnostic waiting times, with a particular focus on histopathology.
- Increase the proportion of patients achieving a decision to treat within 31 days.
- Increase treatment capacity to better match demand.

Recognising the complexity of the SCP and wider Cancer service delivery, a focused, clinically led Cancer Improvement Programme has been proposed to support the development of a unified Cancer Delivery Plan for the Health Board. A multi-disciplinary Cancer Improvement Workshop was held in March 2026 to shape priorities and align actions.

Immediate next steps for the Health Board include:

- **Formalise programme governance and structure**, including clear leadership, reporting, and accountability.
- **Launch 90-day delivery sprints** to accelerate implementation of priority improvements.
- **Undertake detailed data deep-dives** to identify constraints, variation, and opportunities by tumour group and pathway step.
- **Implement a stakeholder engagement plan** across primary care, diagnostics, treatment services, and partner organisations.
- **Deliver a clear communication approach** to support consistent messaging and sustained improvement.





Primary, Community and Therapies Services

During the year, the Health Board continued to increase the delivery of care closer to home. Work with the Local Authority, Social Care and Third sector partners supported prevention, early intervention and improved access for the local population. Primary Care is the first point of contact for most patients and plays a central role in supporting prevention, early intervention and the management of long-term conditions. Services include medical, optometric, dental and pharmaceutical provision.

Key activity and performance (April–December 2025)

- Over 54,000 patients attended pharmacies for support with common ailments (over 10,000 more than the previous year).
- Over 33,000 urgent dental appointments were provided.
- 14,500 new patient appointments were provided in Primary Care.
- Over 24,500 eye health examinations were delivered by optometrists in Primary Care.
- By year-end, local GP practices are expected to have provided over 2,000,000 appointments via phone, digital and face-to-face contacts, reflecting increasing demand.
- The Urgent Primary Care Centre and GP Out of Hours (GPOOH) service continued to provide enhanced support during the day and

across evenings and weekends, with over 13,000 and over 55,000 patient contacts respectively up to the end of December 2025.

Estates
Work with GP colleagues continued to improve the primary care estate. Over 20 improvement grants were supported in 2025/26, helping to maintain appropriate, safe and effective environments for service delivery.

Clusters and partnership working
The Health Board's eight locality-based Clusters continued to implement the nationally driven Accelerated Cluster Development Programme (ACDP). Delivery was supported through Professional Collaboratives (Dental, Optometry, Community Pharmacy, Allied Health Professionals (AHPs), Healthcare Clinical Scientists (HCSs) and GPs) and the first Third Sector Collaborative in Wales, supporting clinically led service planning and delivery. This work supported ongoing developments in community psychology, including provision for carers, primary care services and people with a learning disability.

Local innovation and improvement

- Wellbeing events were delivered for local communities across all eight Clusters.
- All eight Clusters progressed work on domestic abuse, supporting improved identification and strengthened referral pathways.
- Bespoke dental antimicrobial prescribing guidance was developed.
- Work continued to improve population mental health, including Cluster-specific projects such as the Cwmtawe Mental Health model.

Workforce development
The Primary and Community Care Academy continued to develop, working with primary care contractors to support the current workforce and workforce planning.

System flow and discharge
A strategic Pathways of Care Delays (POCD) reduction programme progressed with Local Authority partners, with a focus on supporting timely discharge to the most appropriate setting with the right support in place.

Community nursing
Community nursing services remained under review and continued to modernise in line with strategic workforce planning and the nurse retention plan. This provided assurance on the introduction of skill mix and the use of student streamlining to support workforce plans. The

senior nursing structure was strengthened through the introduction of Deputy Head of Nursing roles across specialist and children's services.

Staff wellbeing and retention
Staff wellbeing remained a focus to support professional and personal resilience. Restorative clinical supervision was introduced for all nursing staff, alongside Professional Nurse Advocate roles, to support staff experience and retention.

Digital and data
Digital platforms continued to be introduced and updated across services to support performance management and data collection.

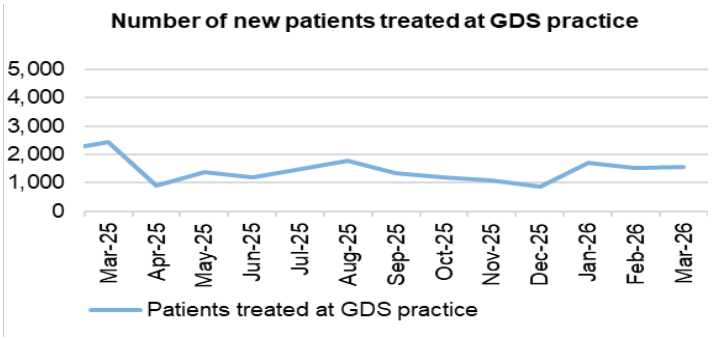
Looking ahead
Work will continue in 2025-26 to strengthen primary and community care services, with a focus on access, timely care closer to home, workforce sustainability, and the use of digital solutions to support service delivery and performance monitoring.

Additional developments last year:

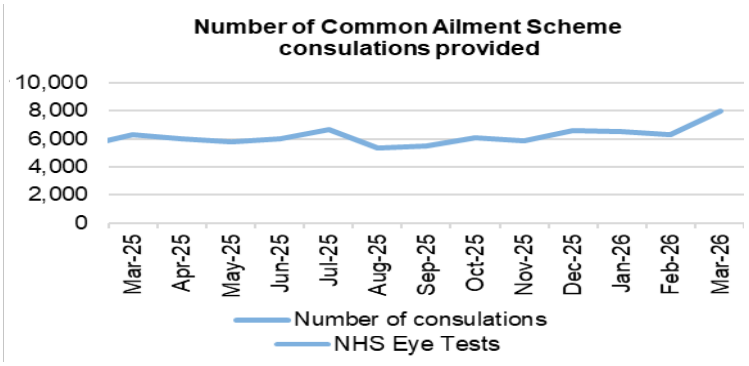
- Strengthened collaboration with local authorities in Paediatric Occupational Therapy (OT) and Speech and Language Therapy (SLT) to deliver universal and targeted interventions, including school-based consultations. Introduced an SLT phoneline to enable anyone to contact the service with concerns about a child.
- Rolled out a digital wound application to support improved wound healing outcomes.
- Streamlined pathways between the wound clinic and podiatry services.
- Implemented the Healthy Child Wales Programme (Part 2) across school nursing.
- Increased the delivery of end-of-life care at home.
- Developed Adferiad as a multi-disciplinary service for adults living with long-term conditions, including ME/CFS.
- Established a stroke outreach therapy team to enable timely discharge to the community and continued rehabilitation.
- Produced information videos to support people while waiting on an urgent suspected cancer pathway.
- Enhanced Community Podiatry Diabetic wound clinics to strengthen foot protection.
- Progressed a podiatry lower limb vascular diagnostics project with the City Cluster.
- Introduced an audiology volunteer first repair service at Singleton Hospital.
- Expanded partnership working with community leisure centres, including musculoskeletal exercise classes and healthier lifestyle support.

- Increased coverage of the School Entry Hearing Screen to **97%**.
- Piloted an urgent falls response delivered by Vale of Glamorgan therapy staff, in collaboration with WAST and SPOA.
- Implemented an occupational therapy pilot within the CDAT team to in-reach to the City Cluster.

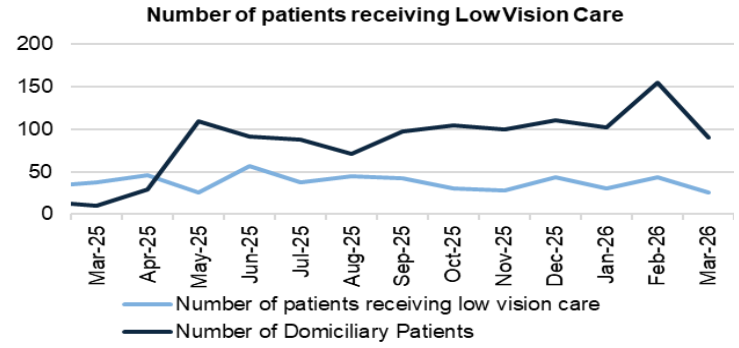
Delivered **33,000** urgent dental appointments and **15,500** new dental appointments.



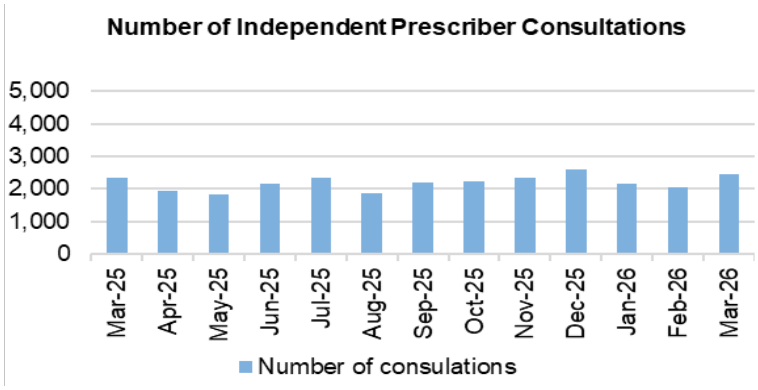
Expanded the common ailments scheme, delivering over **54,000** consultations (April–December 2025).



An independent prescribing service in optometry was rolled out and is now delivered in 11 optometry practices, with one domiciliary provider.



Independent prescribing continued to expand in community settings, with 34 independent prescribers within community pharmacies delivering more than 15,000 consultations.

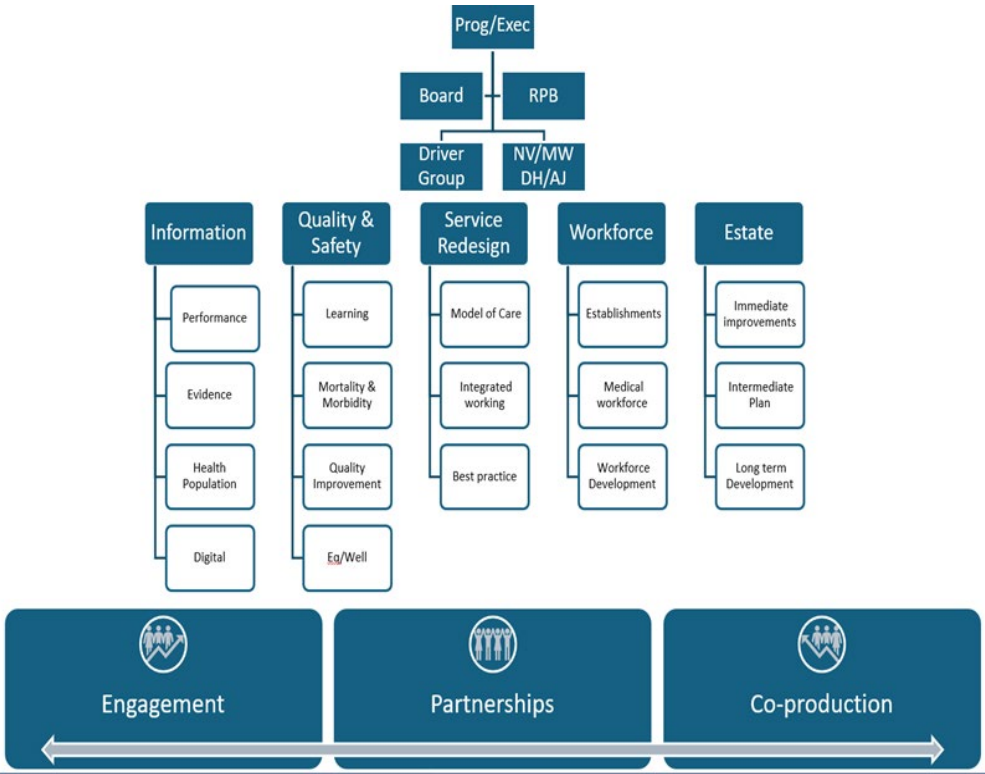


Mental Health and Learning Disabilities

During 2025–26, the Health Board progressed the modernisation of Mental Health and Learning Disabilities services. Reviews were undertaken of inpatient and community pathways, Community Drug and Alcohol Team (CDAT) services, Child and Adolescent Mental Health Services (CAMHS) provision, and partnership arrangements through Regional Partnership Board structures.

In early 2025, services within the Adult Mental Health inpatient and community pathway were reviewed with support from NHS Wales Performance and Improvement. An external expert advisor, was appointed to assess services and make recommendations, which were implemented during 2025–26. These reviews led to the establishment of a Mental Health Transformation Programme and a Transformation Board.

Five transformation workstreams were progressed during the year, with a sixth established to strengthen communication and engagement. Progress was concentrated on the estates workstream to address immediate issues within adult mental health inpatient units.



Short-term estates improvement plans were developed, supported by £2.4 million capital investment at Tawe Clinic, Cefn Coed Hospital, to address environmental risks. Interim and longer-term solutions continued to be reviewed, alongside ongoing discussions with Welsh

Government regarding the adequacy of adult mental health inpatient provision.

Demand for Mental Health services increased across inpatient and community settings, impacting waiting times and admissions. CAMHS continued to embed within the Mental Health and Learning Disabilities Service Group, with performance against key targets improving during 2025–26. Compliance with Part 1B of the Mental Health Measure was expected to be restored by the end of March 2026. In partnership with Neath Port Talbot Local Authority, an in-reach CAMHS service was established at Hillside Young Offenders Unit.

Digital developments progressed during the year, including implementation of a national clinical system supporting mental health and community services, expanded use of an electronic document management system for patient correspondence, and rollout of digital dictation to support administrative capacity. Development and phased rollout of a replacement community care information system continued, with plans for future integration with local authority social care systems to support a regional patient information system.

Within the Learning Disabilities Division, the Specialist Behavioural Team was re-allocated into Community Learning Disability Teams, enhancing delivery of the Challenging Behaviour Pathway. This configuration became operational in January 2026. Rowan Assessment and Treatment Unit underwent a Healthcare Inspectorate Wales inspection, with inspectors noting positive patient care and support. Cardiff Community Learning Disability Team continued partnership work with acute services to develop pathways for individuals with complex behavioural needs.

Across Secure Services and Recovery, the Health Board progressed improvements to clinical environments. Roof repairs at Tonna Hospital were completed between October and November 2025. Additional capital funding enabled installation of air-conditioning at Uned Gobaith, ensuring compliance with Royal College of Psychiatrists standards; this work was completed in January 2026. Reconstruction of 14 bedrooms at Taith Newydd Low Secure Unit commenced in January 2026 following a fire in November 2024 and scheduled for completion in November 2026. A dedicated dental suite was completed at Caswell Clinic in September 2025, enabling routine dental access for inpatients across secure services at the Glanrhyd site. Dental care was provided by Time for Teeth under an approved procurement framework.

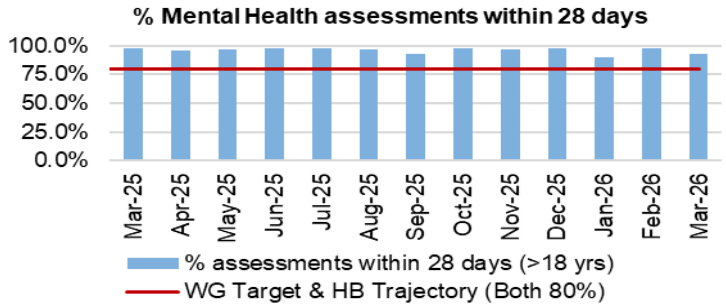
Key Performance metrics for our services

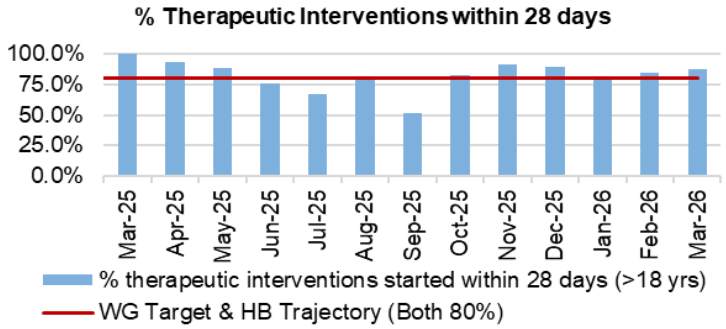
Performance was sustained against Part 1a and 1b of the Mental Health Measure in adult services and is generally exceeding the targets for both assessment and interventions.

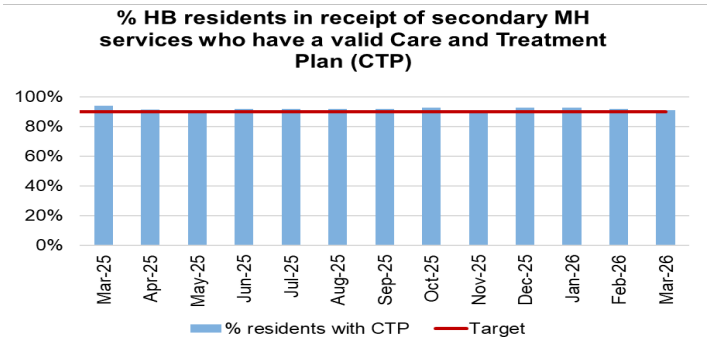
Focussed work to achieve Care and Treatment Plans (CTP) compliance remains ongoing with Care Co-ordinators in both Health and Local Authority.

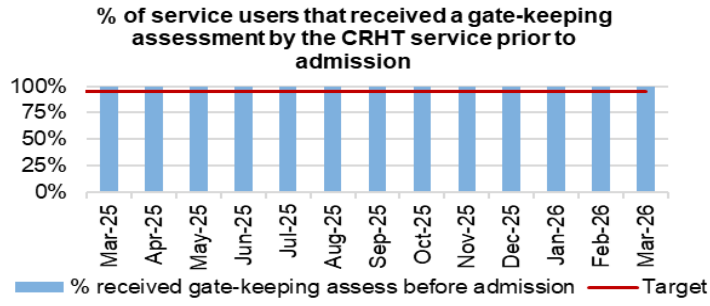
Even with increased demand on our service we continue to achieve the national targets on crisis assessment

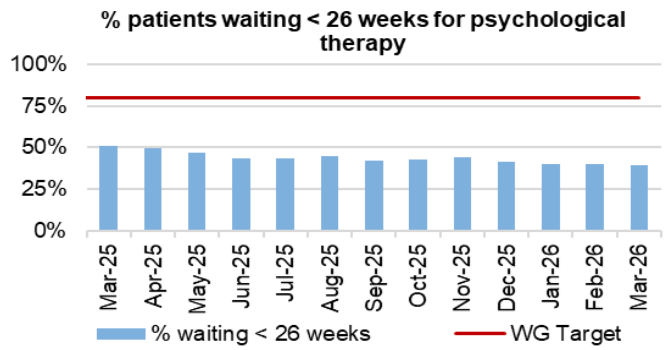
There has been a deterioration in the performance against the psychological therapies target, which is consistent with the national picture. Unprecedented demand for psychological therapies is driving the decrease in performance.









The Service Group along with all Health Boards in Wales are continuing to work with NHS Wales P&I on development of a key daily dataset for Mental Health services, to capture the ongoing increasing demand, our capacity and capabilities to manage this.	

Patient Safety and Experience

Patient Experience and Concerns

A core value for the Health Board is 'always improving'. Feedback from patients and families is helping us to understand what is working well and where we need to improve. Positive feedback is shared across the organisation to spread good practice, while learning from less positive experiences supports service improvement.

We use a range of methods to capture people's experiences, including face-to-face conversations, telephone calls, paper feedback cards and QR code posters. Our primary method is text messaging, which enables patients to receive a survey shortly after their appointment or discharge. All feedback is shared with the relevant services and generates real-time alerts for low satisfaction scores, allowing teams to respond promptly to issues raised.

During **2025–26**, we received **74,891 responses** through the Friends and Family Test and the All Wales programme, achieving an overall satisfaction score of **92%**.

We have also developed bespoke surveys to support Heads of Service and Clinical Teams to improve services and patient pathways. In 2025–26, we produced 12 tailored surveys, covering areas such as the Paediatric Sexual Assault Referral Centre, Neuromuscular Clinic, Special Schools, Fertility services, and all five stages of the maternity pathway.

Ensuring that Welsh speakers are supported in making concerns is important. We have revised the information on our website to make it easier for people to raise concerns through the medium of Welsh and regarding the availability of bilingual services.

During the past year the Health Board received 2,697 formal complaints. Common themes included communication that was incorrect or insufficient, delays or lack of treatment, delays in appointments, and

the attitude or behaviour of clinical staff. Learning from concerns is shared within services and across the organisation through our quality and safety groups. There were also 34 Ombudsman investigations during the last 12 months.

Top themes arising from concerns were

- Communication – insufficient/incorrect information – 290
- Clinical Treatment – delay/lack of treatment – 319
- Delay in appointments - 224
- Attitude and /behaviour of clinical staff – 176

Looking ahead to 2025–26, the Health Board is committed to implementing the *Listening to People* framework. This will support closer and more meaningful engagement with complainants to gain a deeper understanding of their experiences and to ensure learning is systematically shared and acted upon across the Health Board to drive improvement in the quality of care provided.

Here are some examples of changes we have made as a result of patient concerns and feedback:

- Bespoke training on complaints/communication
- Training during consultant development programme where the importance of good and clear communication is discussed.
- Patient information for CT appointments has been improved as a result of feedback
- An air conditioning unit has been installed in the Paediatric Assessment Unit as patients told us it was uncomfortably warm
- After a patient reported exposed pipes protruding from the ground outside the Morriston Hospital Main Entrance we immediately rectified the issues
- Using an artist to create designs to reduce children's anxiety on their way to theatre

Patient Safety

During the past year 87 nationally reportable incidents have occurred, of these the top three include;

- Avoidable pressure damage
- Obstetric and neonatal incidents
- Unexpected deaths

There have also been three incidents that are defined as 'Never Events.' Never Events are the most serious type of incident. The themes of the events that have occurred are wrong site surgery and failure to remove guide wire after surgery.

We review all our patient safety incidents for learning and improvement. Over the past few years we have made targeted efforts to reduce avoidable patient harm through falls, pressure damage and through not meeting people's nutritional and hydration needs. The Health Board is proud to report the following improvements in key areas:

Falls
For the year 2025-2026, our falls rate per 1,000 bed days (this is a national measure of how many falls occur compared to how many patients are in our care) stood at 3.54, this is far lower than the national average of 6.6.

Pressure Damage
We know that there is more we need to do to reduce avoidable harm from pressure damage. This includes raising awareness of risks amongst our patients and making sure that we correctly assess and treat pressure damage. Our tissue viability service is supporting staff training across the organisation to help make improvements in this area.

Nutrition and Hydration
We have increased the percentage of accurate weights taken for patients by 10%, bringing our total to 61%. We recognise that there is a way to go but are positive about the progress we are making.

Workforce and Staff Experience

Our workforce remains central to achieving our ambition of becoming a high-quality healthcare organisation that delivers excellent care for our patients, their families and our communities. In 2023-2024 we jointly developed and launched our 5 year **People Strategy (2024–2029),** providing a clear focus on what matters most to our people and creating a culture where they feel supported, empowered and able to flourish. The Strategy sets out seven key aims: Engaged, motivated and healthy; Attract and recruit; Well-planned; Digitally ready; Excellent learning and education; Leaders who live our values; and Equality, diversity and belonging.

Throughout 2025-2026, we continued to drive the delivery of the People Strategy by introducing a range of new initiatives aligned to each of the seven strategic aims:

Engaged, Motivated and Healthy:

- ✓ Delivered timely, multi-disciplinary wellbeing support and met national Key Performance Indicators.
- ✓ Increased staff health check uptake through targeted communications.

- ✓ Commenced a review of pre-employment processes to better support staff with health conditions.
- ✓ We are one of three Welsh NHS Health Boards expediting staff access to diagnostics/treatment.
- ✓ Began shared wellbeing learning with Hywel Dda University Health Board.
- ✓ Supported over half of service users to remain in work, preventing sickness absence.
- ✓ Launched the Raising Concerns Hub with strong engagement having 2,228 hits to the main page since launch.
- ✓ Commenced local reporting of Service Group Speaking Up Concerns - themes, trends, actions taken and lessons learned on a 6-monthly basis via our Workforce and Organisational Developement Committee to enhance local ownership and intelligence triangulation.
- ✓ Strengthened Human Resource (HR) best-practice to support compassionate leadership.
- ✓ Updated recognition programmes with events scheduled for 2025–26.
- ✓ Our Electronic Staff Record (ESR)-based flexible working requests increased by 71%.
- ✓ Improved the accuracy of leaver data and preparing rollout of a central exit interview system.
- ✓ Our Turnover reduced across all major staff groups.
- ✓ Ongoing support was provided to deliver the NHS Wales Fatigue and Facilities Charter. This included continued investment in improving doctors' mess and break room facilities across key sites, aligned to the All-Wales Fatigue and Facilities guidance. Enhancements focused on sourcing appropriate rest and kitchen equipment, alongside recycled storage solutions, ensuring improvements were delivered without additional cost pressures.
- ✓ Specialty-aligned Resident Doctor Forums were expanded across the Health Board and are now established in 12 specialties, strengthening the Resident Doctor voice. These forums provide a structured and psychologically safe space for feedback, issue escalation and co-production of solutions with education and clinical leaders. The initiative received national recognition, achieving a Highly Commended Award at the STEME Conference in September 2025.

Attract and Recruit:

- ✓ Supported widening access activities and vocational pathways for underrepresented groups.
- ✓ The Health Board has invested approximately £2.5 million into the Apprenticeship Levy in Wales between April 2025 and March 2026. The return on investment for the Health Board has included the

recruitment of Apprentices as new starters on various pathways and staff enrolling on different learning pathways as funded opportunities, including some apprentices securing permanent employment with the Health Board.

- ✓ Delivered 12-week vocational support programmes leading to permanent roles.
- ✓ Expanded the role of the Health Board's Central Resourcing Team to include advert quality checks and centralised file storage while continuing to support onboarding of key roles.
- ✓ To support future workforce pipelines, the Health Board delivered 77 Clinical Work Observational placements over a nine-week period during 2025. These placements were offered to sixth-form students in schools and colleagues across the Swansea and Neath Port Talbot, providing valuable exposure to clinical roles and supporting widening access to health careers.
- ✓ Cohort 6 of the Health Board Graduate Gateway Programme saw all 6 Graduates successfully completing the programme and securing roles with us or elsewhere in NHS Wales before the end of the scheduled completion date of May 2026.

Well-Planned:

- ✓ Delivered targeted workforce planning training.
- ✓ Testing dashboards linking vacancies and recruitment activity.
- ✓ Embedding workforce planning training and introducing action learning sets.
- ✓ Launched a digital workforce planning community.
- ✓ Supported commissioning of education for future workforce supply.
- ✓ Developing scenario forecasting tools for managers.
- ✓ Working with professional groups on improved roster planning.

Digitally Ready:

- ✓ Upskilling leaders to use ESR effectively.
- ✓ Helping leaders interpret workforce dashboards.
- ✓ Supporting effective roster software use.
- ✓ Creating new digital learning resources.
- ✓ Enhanced sickness dashboards with forecasting.
- ✓ Delivered a variable pay dashboard.

Excellent Learning and Education:

- ✓ Delivered accessible Performance Appraisal and Development Review (PADR) training including out-of-hours pilots.
- ✓ Further development of the Brilliant Basics digital platform supporting learning and improvement, including the addition of links to Quality Improvement resources.

- ✓ As part of the July Brilliant Basics communication campaign, PADR bitesize modules featured as a priority topic. This resulted in a marked increase in engagement with PADR content.
- ✓ The Managers' Pathway Management Development Programme was refreshed and relaunched as the Managers' Journey, a self-directed, self-enrolment development pathway for new, existing and aspiring managers. The programme offers flexibility, enabling participants to select modules aligned to individual performance objectives and PADR outcomes. 82 participants attended the launch information session in September 2025.
- ✓ Targeted support sessions were delivered to help staff access Statutory and Mandatory e-learning via ESR. In addition, attendance at appraisal and revalidation sessions supported engagement with Medical and Dental colleagues, contributing to improved compliance. Medical and Dental Statutory and Mandatory Training compliance increased from 67.54% in March 2025 to 77.19% in February 2026. Overall Health Board compliance across all staff groups currently stands at 88.39%, exceeding the Welsh Government target of 85%.
- ✓ Improved Medical & Dental appraisal compliance.
- ✓ Continued competency data cleanses.
- ✓ Supported rollout of Anti-Racism and Safeguarding training modules

Leaders that Live our Values:

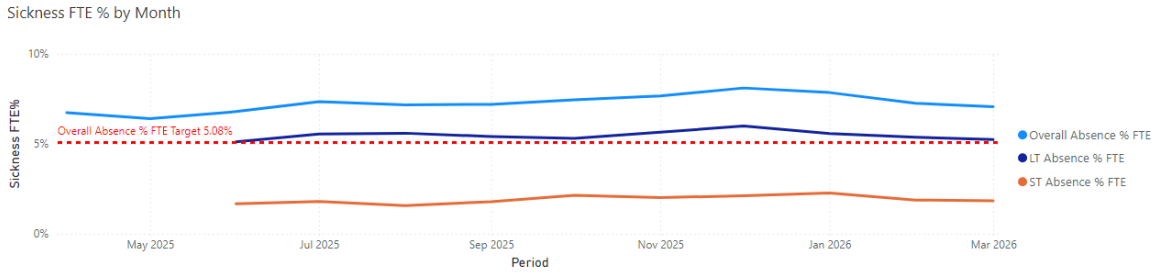
- ✓ Launched LEAD, a new behavioural leadership programme with strong early interest, receiving 275 applications between August 2025 and March 2026.
- ✓ Foundations of Quality Improvement integrated along with Compassionate Leadership Principles, resulting in tangible service impact showcased as part of LEAD
- ✓ Launched the Leadership Learning Lab further promoted via a 12-days of Christmas countdown to allow 24/7 digital access to new, aspiring and existing leaders of all levels and discipline access. There have been 1,576 hits to the main page since its official launch in October 2025.

Equality, Diversity and Belonging:

- ✓ Continued to work towards the workforce actions in the 'We All Belong' Strategic Equality Plan, which also includes the various equality related Action Plans that compliment those issued by Welsh Government.
- ✓ Supported culture conversations with newly recruited Internationally Educated Nurses.
- ✓ Expanded Optimise to better support underrepresented groups.
- ✓ Mandated the national Anti-Racism e-learning.
- ✓ Improved ESR ethnicity declaration and representation.

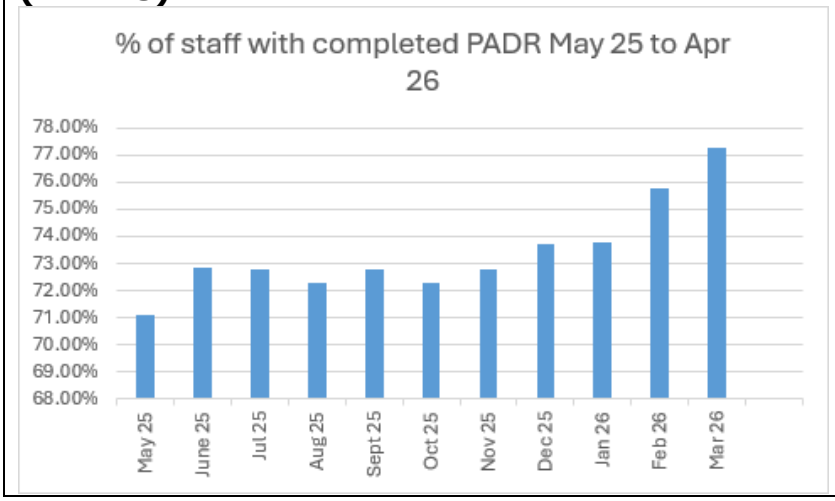
Supported staff from underrepresented groups to apply for the Stepping into Senior Leadership Programme.

Key Workforce Metrics - Sickness absence

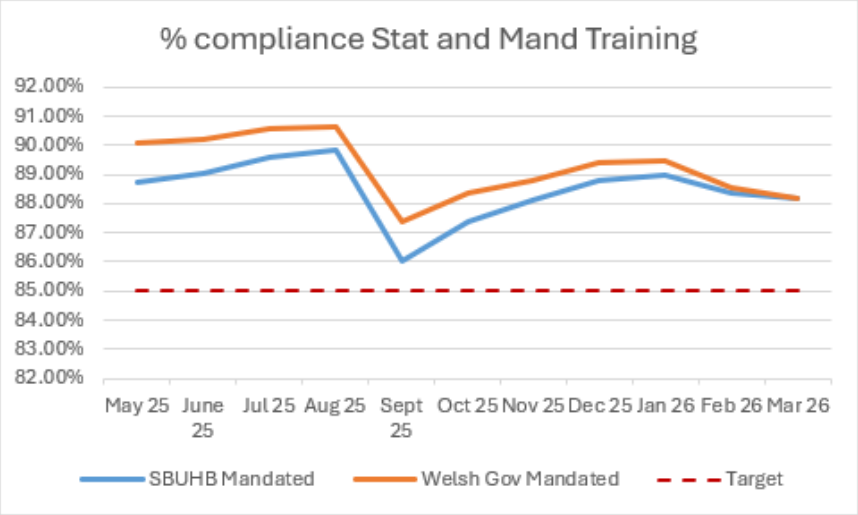


As at end of March 2026 overall sickness absence (rolling 12 month) has reduced from 7.2% in February to 7.07%. Short term absence has also decreased from 2.81% to 1.83%, whereas long term has increased from 4.39% to 5.4%.

Personal Appraisal Development Reviews (PADRs)



PADR compliance continues the upward trend seen since January 2026 and sits at 77.25% in March 2026.

Mandatory & Statutory Training 	The Health Board remains above target compliance (85%) for both Welsh Government mandated training and local mandated training modules. Locally mandated training sits at 88.17% and Welsh Government training compliance sits at 88.20%, both as at end of March 2026.

Conclusion and Forward Look

The Health Board's financial statement have been prepared in accordance with the 2025-26 NHS Wales Manual for Accounts. The manual for Accounts makes clear that accounts should be prepared on a going concern basis where there is the anticipated continuation of service in the future. The assumption has been made that the services of Swansea Bay University Health Board will continue in operation. Consequently, the going concern basis has been adopted.

There is significant work ahead to continue to deliver timely care; to continue to modernise our services and to stabilise the Health Board's financial position on the road to long term sustainability. To support this, the next phase of our Swansea Bay UHB Annual Plan 2025-26 was approved by the Board in March 2025, which sets out what we will achieve over the next few years, and how.

Accountability Report 2025-26

Annual Governance Statement

❖ Scope of Responsibility

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

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

During 2025–26, the Health Board remained in escalation under the NHS Wales Oversight and Escalation Framework. The Health Board was subject to Targeted Intervention (Level 4) for finance, strategy and planning, urgent and emergency care, cancer services, quality of care related to HCAIs, and maternity and neonatal services. Enhanced Monitoring (Level 3) applied to planned care and CAMHS, with Mental Health and Learning Disabilities monitored at Level 2. Escalation arrangements were supported through Welsh Government-led oversight, formal improvement programmes, and routine Board assurance reporting.

As part of the Welsh Government's intervention and escalation arrangements, the Health Board continued to receive external support from Deloitte. The support was commissioned to provide additional capacity, challenge and expertise to assist the Health Board in addressing key organisational priorities and strengthening delivery against improvement objectives. Following the initial engagement period, the Health Board extended elements of this support to ensure continuity of delivery and facilitate the transfer of knowledge and responsibilities to the Health Board's Delivery Unit.

Deloitte's support focused on a number of priority areas, including programme management, performance improvement, governance and oversight arrangements, and the development of delivery planning and monitoring processes. The engagement provided independent challenge

and support to strengthen the Health Board's approach to managing improvement programmes and delivering sustainable change.

Our Governance Framework

❖ Overview

The Health Board has a statutory requirement to comply with the Local Health Board (Constitution, Membership and Procedures) (Wales) Regulations 2009 and comprises Chair, Vice-Chair, Chief Executive, nine Independent Members and eight Executive Directors.

All of these ensure that the Board is made up of people with a range of backgrounds, disciplines and expertise. This is enhanced further by non-voting director posts comprising the Director of Insight, Communications and Engagement, Director of Digital and the Director of Corporate Governance.

The Board works as a corporate decision-making body with executive directors and independent members as equal members sharing responsibility. Its main role is to exercise leadership, direction and control which includes setting the overall strategic direction for the Organisation (in-line with Welsh Government policies and priorities) and establishing and maintaining high-levels of corporate governance and accountability, including risk management and internal control. It is also there to:

- Ensure delivery of aims and objectives through effective challenge and scrutiny of performance across all areas of responsibility;
- Ensure delivery of high quality and safe patient care;
- Build capacity and capability within the workforce to build on the values of the health board and creating a strong culture of learning and development;
- Enact effective financial stewardship by ensuring the Health Board is administered prudently and economically with resources applied appropriately and efficiently;
- Instigate effective communication between the Organisation and its community to ensure its services are planned and responsive to the identified needs;
- Appoint, appraise and oversee arrangements for remunerating executives.
- Creating a culture within the Organisation that supports living our values.

The day-to-day running of the Board is covered through its Standing Orders and Standing Financial Instructions which tailor the statutory requirements of the Local Health Board (Constitution, Membership and Procedures) (Wales) Regulations 2009, together with a scheme of delegation which is relevant for Officers as well as the Board and its Committees. The Standing Orders and Standing Financial Instructions are reviewed regularly and are supported by corporate policies and procedures.

❖ Director's Report

The Board is made-up of Executive Directors, who are employees of the Health Board, and Independent Members appointed by the Minister through the public appointment process. Current Board Members and other Members of the Senior Team are set out below along with the changes for the year.

The information below reflects the membership as at 31 March 2026.

❖ Chair and Independent Members

	**Jan Williams, Chair** **Appointment:** Jan was appointed as Chair in June 2024. **Board and Committee Membership** Jan chairs the Board and Remuneration and Terms of Service Committee and is co-chair of the Regional Joint Committee.
	**Stephen Spill, Vice-Chair** Stephen was appointed as Vice-Chair in January 2021. **Board and Committee Membership** Stephen chairs the Population Health Committee. He is a member of the Board, Remuneration and Terms of Service Committee, Charitable Funds Committee, Mental Health Legislation Committee, Audit Committee, Quality and Safety Committee (from January 2026) and Performance and Finance Committee.
	**Reena Owen, Independent Member** **Appointment:** Reena was appointed as an Independent Member in August 2018. **Area of Expertise:** Community. **Board and Committee Membership** Reena chairs the Workforce and Organisational Development Committee. She is a member of the Board, Performance and Finance Committee, Population Health Committee and Remuneration and Terms of Service Committee.

Andrew Griffiths, Independent Member

Appointment:

Andrew was appointed as an Independent Member in January 2025.

Area of Expertise:

Information and Communications Technology.

Board and Committee Membership

Andrew chairs the Digital, Data, Research and Innovation Committee. He is a member of the Board, Remuneration and Terms of Service Committee, Workforce and Organisational Development (OD) Committee and Audit Committee.

Jean Church, Independent Member

Appointment:

Jean was appointed as an Independent Member in May 2023.

Area of Expertise:

Governance and Organisational Design

Board and Committee Membership

Jean chairs the Quality & Safety Committee. She is member of the Board, Remuneration and Terms of Service Committee, Performance and Finance Committee, Digital, Data, Research and Innovation Committee and the Regional Joint Committee.

Charlotte Rees, Independent Member

Appointment:

Charlotte was appointed as an Independent Member in February 2026

Area of Expertise:

University

Board and Committee Membership

Charlotte is a member of the Board, Remuneration and Terms of Service Committee and Digital, Data, Research and Innovation Committee.

Nuria Zolle, Independent Member

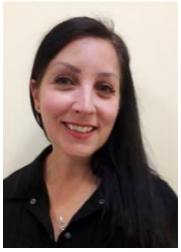
Appointment:

Nuria was appointed as an Independent Member in October 2019.

Area of Expertise:

Third sector

Board and Committee Membership

	Nuria chairs the Audit Committee. She is a member of the Board, Remuneration and Terms of Service Committee, Digital, Data, Research and Innovation Committee and Population Health Committee.
	**Martin Lloyd, Independent Member** **Appointment:** Martin was appointed as an Independent Member in September 2025. **Area of Expertise:** Trade union **Board and Committee Membership** Martin is a member of the Board, Remuneration and Terms of Service Committee, Mental Health Legislation Committee, Workforce, Organisational Development (OD) Committee, Charitable Funds Committee and Quality and Safety Committee.
	**Patricia Price, Independent Member** **Appointment:** Patricia was appointed as an Independent Member in October 2021. **Area of Expertise:** Finance **Board and Committee Membership** Patricia chairs the Performance and Finance Committee. She is a member of the Board, Audit Committee, Mental Health and Legislation Committee, Remuneration and Terms of Service Committee and the Regional Joint Committee.
	**Nicola Matthews, Independent Member** **Appointment:** Nicola was appointed as an Independent Member in February 2023. **Area of Expertise:** Local Authority **Board and Committee Membership** Nicola chairs the Charitable Funds Committee. Nicola is a member of the Board, Remuneration and Terms of Service Committee, Population Health Committee and Quality and Safety Committee

Anne-Louise Ferguson, Independent Member
Appointment:
Anne-Louise was appointed as an Independent Member in March 2023.
Area of Expertise:
Legal
Board and Committee Membership
Anne-Louise chairs the Mental Health Legislation Committee.
Anne-Louise is a member of the Board, Remuneration and Terms of Service Committee, Quality and Safety Committee and Workforce and Organisational Development (OD) Committee.

❖ Chief Executive and Executive Directors

Abigail Harris, Chief Executive
Appointment:
Abigail was appointed as Chief Executive in October 2024.
Board and Committee Membership
Abigail is a member of the Board and attends the Remuneration and Terms of Service Committee.

Richard Evans, Medical Director/Deputy Chief Executive
Appointment:
Richard was appointed as Medical Director in November 2018 and Deputy Chief Executive from March 2021. He was appointed as Interim Chief Executive in August 2023 until October 2024.
Board and Committee Membership
Richard is a member of the Board and attends the Quality and Safety Committee, Workforce and Organisational Development (OD) Committee and Digital, Data, Research and Innovation Committee.

Elizabeth Rix, Director of Nursing and Midwifery
Liz was appointed as Director of Nursing and Midwifery in March 2025.
Board and Committee Membership
Liz is a member of the Board. She attends Quality and Safety Committee, Mental Health Legislation Committee, Charitable Funds Committee and Workforce and Organisational Development (OD) Committee.

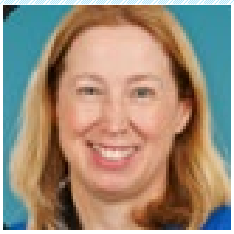
Tina Ricketts, Director of Workforce and Organisational Development (OD)

Appointment:

Tina was appointed as Director of Workforce and OD in April 2025.

Board and Committee Membership

Tina is a member of the Board. She attends Workforce, Organisational Development (OD) Committee and Remuneration and Terms of Service Committee.



Claire Osmundsen-Little, Interim Director of Finance

Appointment:

Claire was appointed as Interim Director of Finance in March 2026.

Board and Committee Membership

Claire is a member of the Board. She attends Audit Committee, Performance and Finance Committee and Charitable Funds Committee.

Gill Richardson, Interim Director of Public Health

Gill was appointed as Interim Director of Public Health in March 2025.

Board and Committee Membership

Gill is a member of the Board. She attends Population Health Committee.

Marie Davies, Director of Planning & Partnerships

Appointment:

Marie was appointed as Director of Planning & Partnerships in February 2025.

Board and Committee Membership

Marie is a member of the Board. She attends Population Health Committee and Performance and Finance Committee.

Christine Morrell, Director of Allied Health Professional and Health Sciences

Chris was appointed as Interim Director of Therapies and Health Science in March 2021 and substantively in August 2021.

Board and Committee Membership

Chris is a member of the Board. She attends Quality and Safety Committee and Workforce and Organisational Development (OD) Committee.

Deb Lewis, Chief Operating Officer/Director of Primary Care & Mental Health

Deb was appointed as Chief Operating Officer in April 2023. Along with Director of Primary Care and Mental Health in April 2024.

Board and Committee Membership

Deb is a member of the Board and attends the Performance and Finance Committee, Quality and Safety Committee and Mental Health Legislation Committee.

❖ Associate Board Members (non-voting)

Councillor Alun Llewelyn, Deputy Leader, Neath Port Talbot Council

Appointment:

Councillor Alun Llewellyn was appointed as an Associate Board Member in February 2026 and attends Board meetings.

Pat Dunmore, Making a Difference Manager for Citizens Advice

Appointment:

Pat became an Associate Board Member in April 2025 as Chair of the Stakeholder Reference Group.

Helen Annandale, Clinical Director Allied Health Professions

Appointment:

Helen became an Associate Board Member in November 2025 as Chair of the Health Professionals' Forum.

❖ Members of the Executive Team (Non-Board Members)

Matt John, Director of Digital

Appointment:

Matt was appointed as Director of Digital in August 2020.

Board and Committee Membership

Matt attends the Board in a non-voting capacity as well as the Digital, Data, Research and Innovation Committee

Hazel Lloyd, Director of Corporate Governance
Appointment:
Hazel was appointed Director of Corporate Governance in October 2022.
Board and Committee Membership
Hazel is the main Governance Advisor to the Board. She attends the Board in a non-voting capacity, Quality and Safety Committee, Population Health Committee, Charitable Funds Committee, Audit Committee, Mental Health Legislation Committee, Performance and Finance Committee, Remuneration and Terms of Service Committee and the Workforce and Organisational Development (OD) as well as the Digital, Data, Research and Innovation Committee.

Richard Thomas, Director of Insight, Communications and Engagement
Appointment:
Richard took up post as the Director of Insight, Communications and Engagement in March 2023.
Board and Committee Membership
Richard attends the Board in a non-voting capacity. He also attends Charitable Funds Committee.

❖ Board Member Departures for 2025-26

Darren Griffiths, Director of Finance
Appointment:
Darren was appointed as Director of Finance in July 2021 and this ended in February 2026.
Board and Committee Membership
Darren was a member of the Board. He attended Audit Committee, Performance and Finance Committee and Charitable Funds Committee.

Sarah Jenkins, Interim Director of Workforce and Organisational Development (OD)
Appointment:
Sarah was appointed as Interim Director of Workforce and OD in March 2024 and this ended in April 2025.
Board and Committee Membership
Sarah was a member of the Board. She attended Workforce and Organisational Development (OD) Committee and Remuneration and Terms of Service Committee.

Jackie Davies, Independent Member

Appointment:

Jackie was appointed as an Independent Member in August 2017 and after serving two terms, her term ended on 28 August 2025.

Area of Expertise:

Trade union

Board and Committee Membership

Jackie was a member of the Board, Remuneration and Terms of Service Committee, Mental Health Legislation Committee, Workforce and Organisational Development (OD) Committee and Charitable Funds Committee and Quality and Safety Committee.

Keith Lloyd, Independent Member

Appointment:

Keith was appointed as an Independent Member in May 2020, Keith stood down in December 2025.

Area of Expertise:

University

Board and Committee Membership

Keith was a member of the Board, Remuneration and Terms of Service Committee, Digital Data Research and Innovation Committee and Quality and Safety Committee

Andrew Jarrett, Director of Social Services, Neath Port Talbot Council

Appointment:

Andrew was appointed as an Associate Board Member in April 2019 and attended Board meetings. Andrew stood down in April 2025.

Judith Vincent, Clinical Director for Pharmacy and Medicines Management

Appointment:

Judith became an Associate Board Member in March 2022 as a co-chair of the Health Professionals' Forum and stood down in October 2025.

Andrew Griffiths, Head of Cluster Development and Planning

Appointment:

Andrew became an Associate Board Member in March 2022 as a co-chair of the Health Professionals' Forum and stood down in October 2025.

Each board member has stated in writing that he/she has taken steps to make the auditors aware of any relevant audit information. Board members and senior managers have advised of any interests which may have a conflict with their board responsibilities and no material interests have been declared in 2025-26. A full Declarations of Interest Register is available for 2025-26 and details are also included in the remuneration report.

❖ Role of the Board

The Board has the overall responsibility for the strategic direction of the Organisation and provides leadership and direction. It also has a key role in ensuring that there are robust governance arrangements in place as well as an open culture and high standards as to how its work is carried out. Board members share corporate responsibility for all decisions and play a key role in monitoring the performance.

As a standard, the Board meets in public six times a year, but there were occasions when Special Board meetings took place, for example in summer 2025 to agree the Annual Accounts and quarters' two and three for an update on the Annual Plan 2025-26 and financial assessment. Each regular meeting begins with a patient or staff story, setting out personal experience of the Health Board's services. This is an opportune way to learn lessons and help improve and plan services for the future. The stories received in 2025-26 included:

- Patient story – Child suffering burns
- Patient story – Health Visiting and Flying start
- Patient story – Quality Care, Quality Treatment and Enhance your life
- Patients Story – Sam's Journey to Recovery
- Patient Story – Maternity (triage)
- Staff Story- Absence approach

The Health Board runs accredited digital storytelling training for the NHS across the UK. We have also convened a series of international conferences on storytelling for health. But above all, we have helped people have their voices heard and have listened and improved our services. More information can be found on the Arts in Health website.

In addition to formal Board meetings, there are Board Development sessions. These are a chance to talk through plans or strategies in the developmental stage, undertake training or hear about good practice internal and external to the organisation:

Board Development
Good Governance Institute (GGI) - Board Effectiveness (May 25)

Organisational Strategy and GGI workshop (June 2025)
Risk & Stakeholder mapping and management (October 25)
Annual Plan (December 25)
Mental Health risk and governance deep dive (January 26)
Financial Year End Position and Deloitte support (February 26)
Annual Plan 2026-27 Welsh Government Feedback and Service Groups Commitment to Programmes (March 2026)

Members are also involved in a range of other activities on behalf of the Board, such as service visits and meetings with local partners.

During 2025-26, the Board carried out its annual self-assessment to evaluate its effectiveness. This process included reviewing governance practices, examining decision-making procedures, and soliciting feedback from Board members. The assessment aimed to identify areas for improvement and ensure the Board continued to meet its strategic objectives efficiently. Recommendations from the Board's self-assessment focused on strengthening governance and Board effectiveness through continued development of Board members, clearer accountability, improved risk management, stronger performance oversight and refinement of supporting governance arrangements. This included action through the Board Effectiveness Action Plan and the 2025-26 Board Development Plan, which covered areas such as the role of the unitary Board, effective Board behaviours, strategic direction, risk appetite, stakeholder engagement, equality and legislative requirements.

❖ Committees of the Board

The Health Board has established a number of committees as set out in the diagram at **appendix one**. Each one is chaired by an Independent Member and has a key role in relation to the system of governance and assurance, decision making, scrutiny, assessment of current risks and performance monitoring. Following each meeting, a summary of the discussion is shared with the Board at its next formal meeting and all the papers for the public sessions of Board and Committee meetings are on the Health Board's website, including the Terms of Reference for each committee. There are some meetings for which papers are not made public either because of the confidential nature of the business or because the items are in a developmental stage. The Board recognises that it has a commitment to holding its committee meetings in public however, due to the number of committees and frequency of these, it is too resource intensive to livestream committee meetings but the Health Board will look at ways in which committees could be held in public where possible.

Assurance committees the Health Board is required to have comprise:

Audit Committee

The Audit Committee supports the overall Board Assurance Framework arrangements, including the development of the annual governance statement, and provides advice and assurance as to the effectiveness of arrangements in place around strategic governance, risk management and internal controls. More specifically it has:

- overseen the system of internal controls;
- continued to focus on the improvements of the financial systems and control procedures;
- overseen the development and implementation of the Board Assurance Framework;
- monitored local counter fraud arrangements;
- sought assurance in relation to the risk management process;
- considered and recommended for approval revisions to Standing Orders and Standing Financial Instructions;
- reviewed findings of internal and external audits and progress against corresponding action plans;
- held Executive Directors to account where appropriate;
- discussed and recommended for approval by the Board the audited annual accounts, accountability report, annual report and head of internal audit opinion;
- continued to monitor the implementation of the recommendations as set out in the governance work programme.
- Conducted deep dives throughout the year, some examples are; investment in digital system investment review, estates management, cancer services and quality governance.

Quality and Safety Committee

The Quality and Safety Committee is the main assurance mechanism for reporting evidence-based and timely advice to the Board in relation to the quality and safety of healthcare as well as the arrangements for safeguarding and improving patient care in line with the standards and requirements set out for NHS Wales. Each meeting begins with a patient story and also includes updates from internal and external regulatory bodies, and where reports have raised concerns, action plans are monitored by the committee.

Remuneration and Terms of Service Committee

The purpose of the Remuneration and Terms of Service Committee is to provide advice to the Board on remuneration and terms of service for the Chief Executive, Executive Directors and other senior staff within the framework set by Welsh Government and assurance to the Board in relation to the Health Board's arrangements for the remuneration and terms of service, including contractual arrangements, for *all staff*, in accordance with the requirements and standards determined for the NHS

in Wales and to perform certain, specific functions on behalf of the Board.

Mental Health Legislation Committee

The remit of this Committee is to consider and monitor the use of the Mental Health Act 1983 (MHA), as amended, the Mental Capacity Act 2005 (which includes the Deprivation of Liberty Safeguards (DoLS)) (MCA) and the Mental Health (Wales) Measure 2010 (the measure).

Charitable Funds Committee

The Health Board was appointed as Corporate Trustee of the Charitable Funds and serves as its agent in the administration of the Charitable Funds held by the Organisation. The purpose of the Committee is to make and monitor arrangements for the control and management of the Charitable Funds.

In addition to the committees the Health Board is required to have under its Standing Orders, the following committees have also been established:

Population Health Committee

The purpose of the Population Health Committee is to embed a population health mindset across the Organisation and in particular will adopt the following approaches and seek assurance on progress against each one through an agreed work programme:

- Epidemiologically driven approach - the Committee will focus on specific health challenges based on epidemiological data, such as diabetes, mental health, and respiratory diseases and will receive reports on the priorities and strategies developed to address these challenges.
- Life course approach - the Committee will seek assurance on addressing health challenges at different stages of life, from starting well to ageing well. As well as focusing on secondary and tertiary prevention where necessary.
- Prioritised approach – seek assurance on the clear method and approach to setting priorities for the Organisation to enable a shift in health outcomes and monitor progress of the changes and outcomes.
- Cultural Change approach – seek assurance on the cultural change program to embed a population health mindset across the Organisation. Integrated with leadership, strategic planning, and capacity building.
- Engagement and lived experience – Committee to hear patient and staff stories lived experiences relevant to the work programme to support understanding and of the decisions made and the models being embedded across the Health Board.
- Benchmarking and Learning – receive reports benchmarking against recognised successful models and strategies.

Performance and Finance Committee

The Performance and Finance Committee applies appropriate scrutiny and review to a level of detail not possible in Board meetings in respect of performance relating to:

- financial planning and monitoring, including delivery of savings programmes;
- activity and productivity including operation efficiency and effectiveness.

Workforce and Organisational Development (OD) Committee

The Workforce and OD Committee seeks assurance on:

- **Health and Wellbeing** – that there is an integrated approach to staff health and wellbeing with the aim of reducing staff sickness related to mental health and increasing resilience of staff;
- **Staff Experience** – that there is a strategic approach to increasing positive engagement index, and reducing formal grievance procedures;
- **Recruitment and Retention** that there is a robust and strategic approach on which progress is made;
- **Workforce Development –** to ensure there is effective, integrated approaches to the development of the workforce and its contribution to the objectives of the Organisation;
- **Widening access and participation** – compliance with workforce equality, diversity and inclusion legislative requirements, including Welsh language and cultural identity**.**

Digital, Data, Research and Innovation Committee

The purpose of the Digital, Data, Research and Innovation Committee is to:

- provide evidence based and timely **advice** to the Board to assist it in discharging its functions and meeting its responsibilities in relation to digital, data, research and innovation, in accordance with its stated objectives and the requirements and standards determined for the NHS in Wales and other relevant bodies
- **assure** the Board on whether effective arrangements are in place in relation to the quality and impact of the Organisation's digital, data, research and innovation activities.
- **Information Governance** is discharged through the Digital, Data, Research and Innovation Committee which has a sub-group - the Information Governance and Cyber Security Assurance Group. Its' remit is to support and drive the broad information governance agenda and provide the Health Board with the assurance that effective, best practice mechanisms are in place within the Organisation.

A summary of Board and Committee dates, memberships, attendances and key matters considered are included within **appendices two to four**.

❖ Advisory Groups and Joint Committees

As well as its Board level committees, the Health Board has three advisory groups which report to the Board: Stakeholder Reference Group, Health Professionals' Forum and Local Partnership Forum.

Advisory Boards

- *Stakeholder Reference Group*

The Stakeholder Reference Group (SRG) is formed from a range of partner organisations from across the Health Board's local communities and engages with the strategic direction, provides feedback on service improvement proposals and advises on the impact on local communities of the current ways of working. Its membership includes representatives from wide ranging community groups, including children and young people, LGBTQ+, older people and ethnic minorities, as well as statutory bodies such as police and fire, rescue services and environment agency. As a result, the group has excellent links to the wider general public and each member can highlight issues raised by their particular communities. The Chair of the SRG is an Associate Board Member.

- *Health Professionals' Forum*

The role of the Health Professionals' Forum (HPF) provides balanced, multidisciplinary professional advice to the Board on local strategy and delivery. This now meets on a regular basis and still has more work to do to ensure a robust membership and attendance as well as work programme. The Chair of the HPF is an Associate Board Member.

- *Health Board Partnership Forum*

The Health Board's partnership forum's role is to provide a way by which the Health Board, as an employer, and the professional bodies, such as trade unions, who represent staff, can work together to improve health services. It is an opportunity to engage with each other, inform debate and agree local priorities for workforce within health services.

Joint and All-Wales Committees

There are two all-Wales Committees as detailed below:

- *NHS Wales Joint Commissioning Committee (NWJCC)*

The NHS Wales Joint Commissioning Committee (NWJCC) is a Joint Committee of the seven Health Boards and was established on 1 April 2024. The NWJCC was established in response to the findings of an independent review commissioned by Welsh Government into the national commissioning arrangements undertaken by the Emergency Ambulance Services Committee (EASC), the Welsh Health Specialised Services Committee (WHSSC) and the National Collaborative Commissioning Unit

(NCCU). The Health Board's Chief Executive Officer is a full committee member of the NWJCC.

- *NHS Wales Shared Services Partnership (NWSSP) Committee*

The NWSSP Committee was established in 2012 and is hosted by Velindre NHS Trust. It looks after the shared functions for NHS Wales, such as procurement, recruitment and legal services. The Health Board's representative is the Director of Workforce and OD and regular reports are received by the Board.

❖ Partnership Working

The Health Board works in partnership with a wide range of organisations, including local authorities, Swansea University, other NHS bodies such as NHS Wales Performance & Improvement, and the third sector. The Health Board continues to strengthen regional collaboration with Hywel Dda University Health Board through the South West Wales Regional Joint Committee (RJC), which has been operating since January 2025 as a joint leadership structure for planning and delivery across both Organisations.

The Health Board maintains joint executive groups with Cardiff and Vale, Cwm Taf Morgannwg and Hywel Dda University Health Boards, ensuring collective leadership and consistent alignment across key clinical and corporate areas. We also work closely with Swansea and Neath Port Talbot local authorities, the third sector, universities, other health boards, and our local populations. Through local partnership boards, including Public Services Boards and the West Glamorgan Regional Partnership Board. As part of this wider regional system, we actively participate in the South West Wales Corporate Joint Committee (CJC), which provides strategic leadership for regional transport, land use planning, economic development and energy. The CJC's work supports population health improvement through its alignment with wellbeing plans and regional development frameworks.

Regular partnership meetings and joint work programmes now span a broader set of strategic partners. This includes ongoing, routine collaboration between the RJC and:

- Swansea Bay City Deal partners on innovation, research, campus development and regional economic growth
- Swansea University including work on research, innovation, digital developments, clinical service planning and future workforce and leadership arrangements.
- University of Wales Trinity Saint David (UWTSD) with active engagement on future collaborative arrangements and regional programme involvement.

- South East Wales Regional Joint Committee (SEW RJC) through regular cross-regional discussions to ensure alignment, knowledge exchange and opportunities for joint approaches across Wales.

Through the RJC and its sub-groups—including Clinical Services Planning, Regional Health Economy, Data & Digital, Workforce and OD, Finance and Contracting, and Research, Innovation & Excellence—we continue to embed a single regional delivery model that promotes shared priorities, reduces duplication, strengthens population health outcomes and enhances system resilience.

This partnership approach enables us to harness the strengths, expertise and resources of a wide range of organisations, ensuring we can deliver high-quality, sustainable services and better health and wellbeing outcomes for the population of South West Wales.

❖ Organisational Structure

The Organisation is comprised of four service groups:

- Primary, Community, and Therapies;
- Mental Health and Learning Disabilities;
- Singleton and Neath Port Talbot;
- Morriston.

Each one is led by a Service Group Director, supported by Service Group Nurse and Medical Directors, and in the case of primary, community and therapies, there is also a Service Group Dental Director. Corporate directorates, such as finance, governance, workforce, digital services, insight, communications and engagement and strategy/planning also play a central role in supporting the Service Groups as well as the Organisation as a whole. All of these elements of the structure are subject to regular performance reviews.

❖ System of Control

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

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place for the year ended 31 March 2026 and up to the date of approval of the Annual Report and Accounts.

❖ Capacity to Handle Risk

The Board is responsible for the effective management of the Organisation's risks in pursuance of its Aims and Objectives. The Board collectively has responsibility and accountability for setting the Organisation's objectives, defining strategy to achieve those Objectives, and establishing governance structures and processes to best manage the risks to accomplishing those Objectives.

The Board adopted a risk appetite statement in November 2022, and that statement remains in place currently. It describes the level of risk the Board is prepared to tolerate according to the type of risk presented. The appetite is incorporated within the Board Risk Management Policy. At a high level, the appetite is represented in the table below (the full statement expresses further nuance within individual risk types):

Type of Risk	Risk Appetite	Risk Tolerance Levels*
Quality	Seeking	20
Workforce	Seeking	20
Financial	Seeking	20
Regulatory Compliance	Open	16
Reputational	Seeking	20
Health & Safety	Seeking	20
Estates management	Seeking	20
Digital & Informatics	Seeking	20
Business Continuity	Seeking	20

* Risks below these levels will be tolerated, but action is expected to reduce those risks achieving or exceeding these levels.

In determining these thresholds, the Board recognised that the high demand on services, pressures on staffing availability and financial constraints created a high-risk environment. This has continued to be the context within which the Organisation has operated during 2025-26 in informing decision making and prioritisation.

The Health Board's aspiration remains to reduce its tolerance to risk further as soon as practicable. Board-level governance, including risk appetite, have been considered by the Board at development sessions facilitated by the Good Governance Institute during 2025-26. While the current appetite remains in place, it is planned to review this early in 2026-27.

The Chief Executive, as Accountable Officer, has overall responsibility for ensuring that the Health Board has an effective risk management framework and system of internal control.

The Director of Corporate Governance has specific responsibilities for risk management and supports the Chief Executive by providing competent advice and support in the development of effective systems and arrangements to help facilitate the management of risk. Alongside, the Executive Director of Nursing and Patient Experience is the Executive Director with lead responsibility for ensuring the effective operation of risk management processes. In this role, she is supported by the Executive Medical Director, and together they provide clinical expertise and leadership to the oversight of clinical risk management.

Executive Directors have responsibility for the ownership and management of risks within their portfolios, and Service Group Directors (Service Group Director, Group Nurse Director and the Group Medical Director/Dental Director) have devolved responsibilities for risk management within their services. Consequently, operational risk ownership is the responsibility of individual service group triumvirates whilst strategic risk ownership, and those operational risks escalated to the Health Board's Corporate Risk Register (CRR), are the responsibility of designated Executive Directors.

The Risk Management Policy sets out the framework for the consistent management of risk in the Health Board, allocating roles & responsibilities, and directing the way in which risks are identified, evaluated and controlled. The Policy provides direction on risk assessment to support consistent scoring of risks. Criteria have been established for the escalation of risks where required to the Executive Directors.

Risk management training content has been refreshed to reflect new arrangements and is available to all Service Groups. It is mandated that there are at least two staff who have completed training aimed at service managers/leads within every service. Training is supplemented with bespoke advice on request by the Risk and Assurance team to meet needs identified within teams and at an individual level.

The Board approved a Risk Management Strategy at its November 2024 meeting, supporting a 'review & reset' of the framework which underpinned the ways in which the Board gained assurance on delivery of

its strategic objectives and its risk management arrangements. Work has continued progressing these changes during 2025, including:

- Review of roles and responsibilities and revision of Risk Management Policy in July 2025.
- The establishment of a Board Assurance Framework (BAF) document describing the framework through which the Board derives assurance on the management of risk to the achievement of its Objectives.
- The establishment of two separate Board-Level risk registers: a Strategic Risk Register (SRR) and a Corporate Risk Register (CRR). The first of these gives greater clarity in respect of risks to the achievement of the Board's strategic objectives and how they are managed; the second presents the most significant operational risks within services agreed for Board oversight by Executive Directors.
- The establishment of a reconstituted Risk Management Group to consider escalated risk and provide Executive oversight of the effectiveness of operational risk management at service level.
- The implementation of gateway reviews with service groups to review operational risk management arrangements, discuss significant risks and drive consistency and improvements.
- The provision of greater insight into service group operational risks at Board and Committee level.

The new risk registers were formally adopted from November 2025. While they were finalised the former Health Board Risk Register (HBRR) continued to be updated and reported. The most recently published SRR and CRR can be found within January 2026 Board papers, with both being regularly reviewed and updated.

The operation of the Risk Management Framework is overseen by the Audit Committee. While the Audit Committee has the overarching responsibility for overseeing risk management, it has delegated relevant risks to each of the other Board Committees.

Committees receive corresponding extracts of the SRR and CRR to enable alignment of their Work Programmes to ensure they review and receive reports on the progress made to mitigate key risks as far as possible. Reports are submitted to each of the Committees of the Board to

accompany the specific Risk Register extracts assigned to the Committees.

To support the continued maturity of the Health Board's risk management arrangements, the Executive Team approved a new two-year Risk Management Strategic Improvement Plan (RMSIP 2026–28) in March 2026.

The plan builds on the reset undertaken since 2024 and responds to feedback from Board members, service groups and the 2025/26 internal audit review. It sets out clear objectives to strengthen governance structures for risk, embed improved integration between risk, performance and delivery, enhance the consistency and quality of risk practices across services, and further develop the infrastructure and systems that underpin effective risk oversight. Progress will be reported to the Executive Board, with assurance provided to the Audit Committee.

- **Risk Profile 2025-26**

Under the five, Health Board objective headings, the newly developed SRR has identified the following risks:

Strategic Objectives & Risk Titles	Current Risk Score[1]	Scrutiny Committee
Objective 1: People of Swansea Bay live healthier, equitable and more equitable and prosperous lives		
1: Population Health Approaches to Address Health Inequity	20	Population Health
Objective 2: Care is high quality, safe, efficient and delivers the best possible outcomes for people		
2.1: Urgent and Emergency Care	16	Performance and Finance
2.2: Planned Care	12	Performance and Finance
2.3: Cancer Care	20	Performance and Finance
2.4: Quality, Safety and Patient Outcomes	16	Quality and Safety

[1] December 2025 Strategic Risk Register

Strategic Objectives & Risk Titles	Current Risk Score[1]	Scrutiny Committee
2.5: Listening to People	16	Quality and Safety
2.6: Maternity & Neonatal Service Transformation	16	Quality and Safety
2.7: Mental Health Transformation	16	Quality and Safety
Objective 3: Care is delivered in safe and appropriate settings supported by innovative digital solutions		
3.1: Partnerships and Collaboration	12	Quality and Safety
3.2: Maintaining our Estate	20	Performance and Finance
3.3: Sustainability of Digital Services	20	Digital, Data, Research and Innovation
3.4: Failure to Deliver Digital Transformation	20	Digital, Data, Research and Innovation
3.5: Research, Development and Innovation	12	Digital, Data, Research and Innovation
Objective 4: The health board is a great place to work where staff feel valued and work together towards a common goal		
4.1: Staff Health and Wellbeing and Organisational Performance	16	Workforce and Organisational Development
4.2: Leadership and Management	12	Workforce and Organisational Development
4.3: Culture, Values and Behaviours	12	Workforce and Organisational Development
Objective 5: The health board is a resilient, financially sustainable and responsible organisation		
5.1: Achieving Financial Sustainability	25	Performance and Finance

The SRR includes links to associated risks within the CRR. The profile of risks recorded within the board-level CRR is as follows:

Risk Level	Number of risks in CRR Feb 2026
Risk Score of 25	1
Risk Score of 20	13
Risk Score of 16	5
Risk Score 9-15	5
Risk Score of 5-8	0
Risk Score of 1-4	0
Total	**24**

The most significant risks within the CRR are:

Ref	Risk Title	Current Risk Score[2]	Scrutiny Committee
4	Healthcare Acquired Infection	20	Quality and Safety
60	Cyber Security	20	Digital, Data, Research and Innovation
61	Paediatric Dental GA Service (Parkway)	16	Quality and Safety
64	Health and Safety Infrastructure	20	Quality and Safety
66	Access to SACT (Cancer Services)	20	Quality and Safety
69	Safeguarding: Adolescents on Adult Mental Health Wards	20	Quality and Safety
80	Inability to Transfer Patients	20	Quality and Safety
85	Non-Compliance with ALN Act	20	Quality and Safety

[2] February 2026 Corporate Risk Register

Ref	Risk Title	Current Risk Score[2]	Scrutiny Committee
89	Healthcare Nursing Staff Level (HMPS)	20	Quality and Safety
90	Non-compliance with UK-GDPR Article 15 regarding Subject Access Requests	20	Digital, Data, Research and Innovation
92	Finance Forecast Deficit	**25**	Performance and Finance
96	Develop an Approvable IMTP (statutory compliance)	20	Performance and Finance
104	Failure to meet Tier 1 targets in Clinical Coding Completeness	20	Digital, Data, Research and Innovation
106	Emissions Reduction	20	Performance and Finance
107	EPRR and Recovery	20	Performance and Finance

While we have reduced risks in some areas, many have been persistent. Experience gained following implementation of refreshed risk management arrangements, through ongoing engagement with services and via discussions at Board Committees have identified further areas for improved assurance on the management of risks at Board and operational level, and the identification of further risks for escalation for Board-level oversight.

The Corporate Governance Risk and Assurance team have commenced meetings with service leads to take this work forward in 2025-26 and into 2026-27.

- **The Control Framework**

Within the service groups, the Service Group Directors are responsible for the management of risk and ensuring there are effective arrangements to carry this out and for the escalation of risks to Executive Directors where required.

As part of the resetting of risk management arrangements commenced during 2024 and continued during 2025, a revised Risk Management Group was established from the start of 2025. The Risk Management Group met during the first two quarters of the 2025-2026 financial year, but due to urgent meeting conflicts of key members, did not meet during the third quarter. Risks for escalation were referred to the Group's Chair for decision in this period and qualitative improvement work progressed via direct engagement with services. Information on risks was provided to the Health Board performance function to support discussions between Executive Directors and Service Groups at performance review meetings.

Discussion on the future governance arrangements have agreed the use of this Forum for the consideration of risks escalated by services going forwards into 2026-27. The wider oversight of operational risk management within services will be considered by a new Executive Operational Group.

The Health Board recognises that a number of its key risks are influenced by, or shared with, external partners. In line with the Risk Management Policy, it is recognised that communicating and consulting with internal and external stakeholders and partners, as appropriate, at each stage of the risk management process and concerning the process as a whole is important. This ensures that risks with system-wide implications are visible at the appropriate level and that assurance is sought from relevant partners. The frequency of the communication will vary depending upon the severity of the risk. This process is led by the person nominated as the lead to manage the risk and for communication with external stakeholders this will be the appointed Executive Director lead for the risk. Significant risks will be reported to Welsh Government through the weekly brief from organisations and quarterly performance review meetings.

The most significant risks the Health Board is managing are listed in the section above under risk profile. Key controls and actions taken to manage risks are captured in the SRR and CRR, which have been reported to the Management Board, Audit Committee and Board. The below table presents some of the key controls and in place to manage the most significant new and pre-existing risks on Board-level registers (full details can be found within the full registers).

Risk Title & Description	Controls In Place
STRATEGIC RISK REGISTER – MOST SIGNIFICANT RISKS	
SRR1.1 **Population Health Approaches to Address Health Inequity** **Score 20** If our staff do not understand and act on the provisions of the Population Health Strategy, and develop the capability and capacity to enact a system approach to addressing the challenges of improving the health of the entire population, then there is a risk that we will not develop effective systems, processes and partnerships to incorporate and deliver population health approaches outlined in the Strategy. This could result in worsening health in our population, widening health inequalities and a failure in our statutory duty as a Health Board.	• The Public Health Team are pursuing an evidence-based engagement-focused methodology to support implementation of the Population Health Strategy. • The Population Health Committee has been established to provide oversight of the Population Health Strategy. • Engagement across the Organisation in support of strategy execution to build competence, capability and capacity to enact strategy. • Population health has been integrated into key organisational processes (planning, business case development, partnerships, performance, strategy development). • Strategy execution approach has developed tactical and operational level leadership. • There is reporting of progress on Population Health Strategy execution through the Health Board Service Delivery Group quarterly performance. • The Population Health Strategy has been integrated into the Health Board Strategic Objectives. Strategic indicators have been developed to support measurement of population health gain.
SRR2.3 **Cancer Care** **Score 20** If we do not have enough staff and physical capacity organised effectively across all services, including primary and secondary care, to provide timely diagnosis and	• Processes are in place to manage each individual case on the Single Cancer Pathway (SCP), with enhanced monitoring and weekly monitoring of action plans for top 6 tumour sites. • Initiatives are in place to protect surgical capacity to support Single Cancer Pathways.

Risk Title & Description	Controls In Place

treatment of adults and children, there is a risk that we will be unable to improve provision of safe, effective, and person-centred cancer care, resulting in a potential for patient harm, poor outcomes, and a negative impact on patient and staff experience. This will impact not only on Health Board patients but those of partner organisations depending on this Health Board as a regional centre for cancer care.	• Performance is discussed by tumour-site with focus on compliance with the following targets:
	  ○ First outpatient appointment by Day 10
	  ○ Deliver a decision to treat (DTT) by day 31
	• Outsourcing solutions are in place to support pathology turnaround times for urgent suspect cancer.
	• The Chief Operating Officer is leading targeted discussions with the most pressurised tumour sites to understand barriers to complying with national optimal pathways for cancer.
	• Cancer improvement group meets monthly.

SRR3.2 **Maintaining our Estate** **Score 20** If we do not secure sufficient funding and employ that effectively to address priority areas of deterioration within our estate within primary and secondary care, then our buildings and/or associated infrastructure may fail in part or wholly, resulting in increased risk to patient and staff safety, and the disruption of service provision.	• Planned Preventative Maintenance prioritising highest risks dependent on funding availability • There is an Essential Infrastructure Replacement programme (subject to availability of decant facility and steps to secure funding). • Electrical resilience is tested through 'Black Starts' on Singleton and Morriston sites. Provision of further resilience is subject to funding. • There is an Estates Strategy in place informed by a 6 Facet Survey. That survey has now been superseded by the review and upgrade of the Health Board Asset Register to form a baseline for capital investment planning going forward. • Reactive Maintenance is ongoing. However, demands are increasing due to more frequent breakdowns and the age of the estate infrastructure, which is

Risk Title & Description	Controls In Place
	becoming more resource intensive with limited capacity and capability especially with regard to 24/7 shift cover, bringing associated business continuity risks. • There is engagement with Adult Mental Health, Forensic Services and Learning Disabilities on business case development.
SRR3.3 **Sustainability of Digital Services** **Score 20** If the Organisation is unable to maintain and replace existing digital systems and infrastructure in a timely manner, there is a risk that this could lead to system failures and cybersecurity vulnerabilities, resulting in disruptions in clinical service delivery. This risk encompasses the need for ongoing investment in digital assets to ensure they remain functional and secure. Factors contributing to this risk include financial constraints, aging infrastructure, and the need for continuous updates and support to meet evolving service requirements.	• Cyber Security Policy and mandatory Cyber Security training in place. • Programme in place for management of legacy systems and infrastructure. • Ten-year Financial Plan for replacement of devices and infrastructure. Prioritisation in place to ensure consideration given to highest areas of risk. • Immutable backup process in place. • Active monitoring of, and protection of, networks, systems and infrastructure. • Service level Business Continuity Plans in place to mitigate the impact of an outage, managed by the Emergency Preparedness Resilience and Response (EPRR) team. • Review process following all major Digital incidents. • Digital Strategy in place.

Risk Title & Description	Controls In Place
SRR3.4 **Failure to Deliver Digital Transformation** **Score 20** If the Organisation does not implement or utilise digital solutions to support and transform care provision across the Health Board, it will hinder the Organisations' ability to achieve its Strategic Objectives and improvements in service delivery. Without appropriate digital solutions in place there is a risk that the Health Board will not be able to: meet the needs of its population; ensure care is of high quality and is efficient; provide effective care in an environment that best meets the needs of the patient; address the constraints and issues arising from the reliance on the paper record; recruit and retain staff; collect and interpret data to inform decision making and monitor performance to aid service improvements; or exploit new technologies, such as AI and remote monitoring, that can support improving the quality and sustainability of service	• A robust Project Management Framework and Governance are in place within Digital Services • A Benefits Framework and methodology are in place within Digital Services • The Health Board Business Case Assurance Group process provides scrutiny to ensure digital resources are considered for all projects • There is a Digital Services prioritisation process in place to ensure that requests for digital solutions are considered in terms of alignment to the strategic objective, technical solutions and financial implications. Project Boards are established for all significant projects. • A Clinical Reference Group is established, providing a forum for engagement with and feedback from clinicians in respect of digital solutions and enhancements, and the strategic direction of digital services. Digital meetings are held with Service Delivery Groups to identify and prioritise requirements, monitor progress with implementation, and address issues with business-as-usual activities. • Receipt, approval and recording of changes/updates made to all existing digital solutions via the Digital Services Change Advisory Board. • The Health Board has representation on national groups such as Advanced Analytics Group (AAG), all Wales Business Intelligence & Data Warehousing Group and Welsh Modelling Collaborative. • An Integrated Medium-Term Plan (IMTP), Digital Strategy, Business Intelligence Strategic Plan, along with Digital Procurement Policy, and policies in

Risk Title & Description	Controls In Place
delivery. This risk is driven by constraints such as insufficient capital or revenue, limited capacity and capability within digital, Service Group and Corporate teams, clinical and service leadership/ownership for digital transformation, data and data infrastructure and other resource limitations such as procurement and contract management.	relation to health records and other digital matters, are in place.
SRR5.1 **Achieving Financial Sustainability** **Score 25** If we fail to manage our costs effectively, whilst optimising productivity and effectiveness, then we will not return to financial balance. This will result in poor use of public funds, and an inability to provide sustainable services for our patients.	• Annual Accountability Letters and Budgetary Management Framework are in place • There is Recovery and Sustainability Board oversight of the identification and delivery of strategic long terms savings programmes. • The budgetary management approach requires all Service Groups to produce a Finance Strategy each year. • There is the continued transparent exchange of position with NHS Wales Performance and Improvement and Welsh Government • A financial planning and reporting process is in place which dovetails with the wider IMTP production timetable. These provide a schedule of planning activities intended to support the production of a financially balanced and sustainable IMTP, aligned to the statutory requirements of the Health Board.
CORPORATE RISK REGISTER – MOST SIGNIFICANT PRE-EXISTING RISK	

Risk Title & Description	Controls In Place
CRR92 **Forecast Deficit** **Score 25** Risk of forecast deficit not being met due to (1) insufficient progress on run rate reduction, (2) the saving targets required across all areas are not achieved.	• Accountability Letters and Budgetary Management Framework were issued to all Directors in April 2025, which set the expectation and budget for 2025/26. • Oversight is provided via the Recovery and Sustainability (R&S) Board, which reports directly to the Performance and Finance Committee and is chaired by the Chief Executive. This Board is held bi-weekly. • Supporting the R&S Board is the R&S Team, which for 2025/26 had dedicated resource to lead the programmes of work agreed for 2025/26 (the Board has agreed 5 key areas). • Budgetary Management approach 2025/26 required all Services Groups to produce a Financial Strategy by end May 2025, with ongoing monthly performance meetings and presentation to the Performance and Finance Committee every 4 months. • There is continued transparent exchange of position with NHS Executive and Welsh Government, via both weekly and monthly meetings with the NHS Executive. • Standard 'Day 5' Finance Reports on Variable Pay, Savings Performance and 'Flash' report are published via SharePoint site. • Variable Pay Cap agreed by the Organisation to deliver £32m of savings as set out in the Financial Framework dated 30th June 2025 as well as further enhancements to controls agreed through Quarter 2, and Quarter 3 via the Recovery & Sustainability Board, with further controls and targets agreed at Special Board in December 2025.

Risk Title & Description	Controls In Place
	• Recovery and Sustainability governance and controls were strengthened in line with the initial recommendations from work by Deloitte (external partner). • The Health Board developed with its strategic external partner (Deloitte) a clear plan to deliver the £55.4m savings required for 2025/26.
CORPORATE RISK REGISTER – SIGNIFICANT NEW RISKS	
CRR104 **Failure to meet Tier 1 targets in Clinical Coding Completeness Score 20** Because: The volume of new inpatient episodes exceeds the available clinical coding staff capacity; There are difficulties recruiting and retaining a sufficient number of trained clinical coding staff to address the gap, and clinical information is not always of sufficient quality or completeness electronically (such as DALs) to support swift coding. There is a risk that: Clinical notes for inpatient episodes will not be coded in a timely way. Resulting in: The non-achievement of the Tier 1 Welsh Government target (which is that 95% of inpatient activity should be coded within 30-days of discharge); Insufficient	• A three-year coding modernisation plan was approved by Executive Board on 26 February 2025 to see the implementation of an auto-coding solution and a re-banding of the clinical coding department within existing budgets to attain Tier 1 targets by 27/28. • The coding management team assess the staffing complement daily to ensure resources are deployed in the most efficient and effective manner, in line with demand and clinical coding priorities. • There is a comprehensive training programme in place for new Trainee Coders. • The Clinical Coding Departments raise incidents where clinical information is missing from patients' health records and prevents the activity being coded in a timely manner. These incidents are highlighted at the Directorate Business Meetings held monthly as part of the Clinical Coding Key Performance Indicators. • Clinical coding staff performance continues to be monitored and discussed during the monthly Clinical Coding Managers Meetings, which are chaired by the Head of Health Records and Clinical Coding, and an update is also reported

Risk Title & Description	Controls In Place
coded data to support effective service planning for population health needs; Inadequate data being available for mortality review/quality and safety purposes, with increased risk of failure to spot variance that are negatively impacting levels of patient care and potentially causing avoidable deaths; Negative impact on accuracy of analysis to understand how resources are being allocated and used at Health Board level and national level (programme budgeting); Delays in claiming case mix sensitive contract lines with JCC, Hywel Da and Cwm Taff (circa 70m per annum value in total) due to lack of coding data.	and presented on the Health Board Performance Scorecard. • An app has been developed by Digital Intelligence that shows any relevant data relating to a patient episode from different clinical systems in one place, to reduce the number of systems a clinical coder needs to log into.
CRR106 **Emissions Reduction** **Score 20** If we do not identify funding and implement appropriate actions effectively and in a timely way, there is a risk that the Health Board will not achieve the emissions reduction targets set by Welsh Government which could result in failure and	• Board leadership is provided by the Executive Director of Planning and Partnerships. There is a supporting governance structure in place. • There is a Climate Action Plan (CAP) 2024-26. • Implementation is managed by action owners through their local arrangements. Assurance is brought to the quarterly Sustainable Swansea Bay Steering Group meeting. Support is available to the action owners from the Sustainability

Risk Title & Description	Controls In Place
potential reputational damage in the eyes of Welsh Government and the wider public.	Team and through a quarterly Climate Knowledge Exchange. • Measures required to achieve emissions reduction objectives are integrated into other strategies and plans, including Estates Strategy; IMTP; Quality Strategy; Sustainable Travel Strategy; Healthy and Sustainable Catering Strategy; Value Based Healthcare Strategy, People Strategy; Population Health Strategy. • The Organisation's carbon emissions is one of the Health Board's strategic indicators. • The Health Board's Green Group enables staff to share and learn from others in Wales. • Climate change and decarbonisation is a component part of the prioritisation for Capital Projects across NHS Wales organisations. • Climate and sustainability are being built into the Clinical Services Plan. • Health Board takes part of the wider Welsh Government Health and Social Care Climate Emergency Programme governance through membership and participation on a number of programme boards. • The Health Board has contracted three 'Sustainability Clinical Leads'. They are driving sustainable healthcare work. • Participation on the Public Services Boards in Swansea and Neath Port Talbot enables sharing of best practice and opportunities for collaboration.
CRR107 Emergency Preparedness, Resilience and	• There is an Executive Director nominated as lead for Civil Contingences (the Director of Planning and Partnerships).

Risk Title & Description	Controls In Place
Response, (EPRR) and Recovery **Score 20** If the Health Board lacks adequate and effective emergency preparedness, planning, response and recovery at both corporate and operational levels, there is a risk that it may not be able to respond and recover promptly, efficiently, or effectively to a major incident, business continuity, or critical incident. This could lead to: Negative impacts on patient care delivery in both acute and non-acute settings; Potential harm or injury to patients and/or staff; Non-compliance with statutory obligations under the Civil Contingencies Act 2004; Legal actions and financial penalties; Reputational damage and diminished public trust.	• A comprehensive business continuity management (BCM) process is in place, allowing services to assess and manage risks across key business continuity (BC) areas and implement suitable mitigations. The BC framework serves as a guide for departments to develop their own specific BC procedures. • An overarching Strategic BC Procedure is in place. In addition, each Service Group has an overarching Tactical BC Procedure outlining the tactical management processes, escalation protocols and response structures for effective command and control and coordination. • An Emergency Preparedness, Resilience, and Response (EPRR) strategy and programme is in place to oversee and ensure enhanced assessment, preparedness, prevention, response, and recovery strategies. • The Organisation has established emergency preparedness, resilience, and response (EPRR) measures, with EPRR work and training programs aligned to meet Civil Contingency statutory requirements. Oversight is provided by the EPRR Oversight Group. • A range of emergency response protocols, including a Major Incident Procedure, has been developed. To support, there is a suite of emergency procedures at national and regional levels to address and mitigate national, regional, and local risks as effectively as possible. These risks are identified in the Health Board EPRR Risk and Preparedness register and aligned to National Risk Register, Wales Risk and Preparedness Register, Local Resilience

Risk Title & Description	Controls In Place
	Forum (LRF) Community Risk Register, and respective local authority risk registers. • The Health Board actively participates in the NHS Executive Health Emergency Planning Advisory group and its sub-groups. Additionally, the HB is involved in the Wales Resilience Partnership Group and South Wales Local Resilience Forum and contributes to various pan-Wales/regional groups. The Health Board works closely with local partners and is a member of both Neath Port Talbot and Swansea Local Authority risk groups. • The HB EPRR arrangements are aligned to the Health Board Strategic vision and objectives. • There is a holistic approach to building, strengthening, and maintaining the EPRR work programme with consideration to leadership and governance, training and workforce development, scenario planning and exercises, risk management, community engagement and continuous improvement, including the conduct of regular audits and assurance checks against NHS Wales EPRR standards. • Regular internal training and exercises are scheduled; lessons identified from incidents and exercises are captured for integration into plans.

❖ Emergency Preparedness

As a Category One Responder organisation under the Civil Contingencies Act 2004, the Health Board has statutory responsibilities to prepare for, respond to, and recover from a wide range of emergencies. The Health Board remains committed to protecting patients, staff and the public by maintaining strong preparedness arrangements, enhancing organisational

resilience, and ensuring a timely, coordinated response to any incident that disrupts normal services.

The Health Board's approach to Emergency, Preparedness, Resilience and Response (EPRR) is delivered through a continuous cycle of risk assessment, planning, training, exercising, response and recovery. This ensures that the Organisation can continue to deliver safe, high-quality and equitable services, even during the most challenging circumstances.

A dedicated EPRR Risk Register is maintained and reviewed regularly, aligned to local, regional and national risk frameworks. Risks are assessed, scored and monitored, with appropriate mitigation measures in place. This work is supported by an overarching EPRR Operating Framework, an annual training and exercising programme, a lessons-identified register and a suite of emergency plans, including the Major Incident Procedure and Business Continuity Management arrangements.

Strategic oversight is provided by the Health Board's EPRR Oversight Group, which monitors compliance, performance, lessons identified and risks through a digital assurance dashboard. In addition, the Health Board submits an annual Civil Contingencies assurance return to the NHS Performance and Improvement, demonstrating its level of readiness and identifying opportunities for further development.

During 2025-26, the Health Board successfully delivered its planned programme of EPRR training and exercising, assessing the Organisation's capability across a range of emergency scenarios. Business continuity procedures were activated on a number of occasions in response to live incidents, enabling real-time testing of plans and providing valuable learning. All lessons identified are captured, monitored and embedded into ongoing improvement activity. In addition, 2026 has seen the launch of an ambitious training and exercising programme that is already well underway.

The Health Board continues to play an active role within local, regional and national resilience structures, working closely with multi-agency partners, emergency services, Welsh Government and NHS Wales organisations. This collaborative approach strengthens interoperability, enhances shared situational awareness and supports a coordinated response and recovery capability for the communities we serve.

The Health Board remains committed to continually developing its EPRR arrangements, maturing assurance processes, and embedding resilience across all services to ensure safe, effective and sustainable care during times of disruption.

❖ The Control Framework

Quality Governance Arrangements

Our separate annual Quality Report provides a detailed overview of the work we are undertaking to deliver safe, effective, and high-quality care for our patients.

To support our commitment to continually improving services for the communities we serve, we have joined National work to review our Quality Management Systems (QMS). This National Programme focuses on how organisations use information and insight about the quality of care—including patient and family experience—to drive meaningful improvement.

We are proud that our Perinatal Services have been selected to participate in National work to prototype a QMS, and we look forward to sharing the learning from this work across the Organisation.

A summary of our work across the four domains of quality is outlined below.

Quality Planning

- We are excited to have launched the *Listening to People* concerns-management process, which will strengthen how we learn from concerns and improve people's experiences of our services.
- As part of developing how we communicate with our communities, we have engaged with seldom-heard groups to understand what quality information they would like to see made available on our website.
- In May, we were delighted to engage with thousands of children, young people, and families at the Urdd Eisteddfod, giving us valuable insight into what matters most to them from their health services.

Quality Control

- All elements of our Quality Dashboard are now live, enabling service leads to view key quality indicators at a glance.
- We continue to work closely with our Digital Services colleagues to enhance the information available to support oversight of care.
- Our use of the Audit Management and Tracking Tool (AMaT) for quality control and assurance was shortlisted for a national NHS Wales Award—a recognition of our commitment to strengthening governance and visibility of quality.

Quality Improvement

- We continue to expand access to quality improvement (QI) training so that staff are empowered to drive improvements within their own areas of work.
- We are extremely proud that one of our QI projects—focused on improving outcomes for people living in care homes who experience a fall—won an NHS Wales Award and was also shortlisted for a Health Services Journal (HSJ) Award.
- Our Improvement Forum meets monthly, providing a space to share ideas, celebrate success, and learn from examples of positive change across our services.

Quality Assurance

- We continue to carry out a wide range of assurance activities, including monthly unannounced audits of wards and clinical areas, alongside structured review and learning from patient experience and concerns.
- Assurance visits have now been rolled out across community settings, strengthening oversight beyond acute environments.
- Our Independent Member visiting programme—comprising monthly visits across a range of services—is now well established and continues to provide valuable external insight into the quality and safety of care.

The Duty of Quality annual report will be published on our website in the Quality & Safety Committee in June 2026.

Duty of Candour

The Duty of Candour is a statutory requirement under the Health and Social Care (Quality and Engagement) (Wales) Act 2020. It requires NHS Wales bodies to be open and transparent with people when a qualifying notifiable safety incident has occurred, including providing an apology, an explanation of what is known at the time, and ongoing communication and support.

Governance and oversight for Duty of Candour is led by the Executive Director of Nursing. This includes providing assurance that Duty of Candour processes are in place, that incidents are identified and reviewed appropriately, and that learning is translated into service improvement.

The Health Board continues to strengthen arrangements to support timely recognition of qualifying incidents, clear documentation, and effective communication with individuals and families. Staff are supported to undertake Duty of Candour conversations in a compassionate and person-centred way, with access to advice and guidance where required.

Themes and learning identified through Duty of Candour are considered alongside other quality and safety intelligence, including Putting Things Right, to support improvement and reduce the risk of recurrence.

Corporate Governance Code

For NHS Wales, governance is defined as 'a system of accountability to citizens, service users, stakeholders and the wider community, within which healthcare organisations work, take decisions and lead their people to achieve their objectives". This ensures NHS bodies are doing the right things, in the right way, for the right people, in a manner that upholds the values set for the public sector.

An assessment of compliance with the HM Treasury's Corporate Governance code was undertaken In February 2026 and found no departures from the code. This was reported to the Audit Committee in March 2026.

Commissioning of Care and Support in Wales: Code of Practice

During 2025-26 the Health Board continued to implement the National Framework for the Commissioning of Care and Support in Wales: Code of Practice. This work focused on strengthening arrangements for Continuing NHS Healthcare (CHC) and complex care commissioning, improving consistency of decision-making, and supporting fair and sustainable approaches to market management.

Governance and oversight were enhanced through the establishment of a cross-functional CHC and Complex Care Programme Board, providing a coordinated route for leadership, risk management, escalation and reporting. Partnership working with Local Authorities was also strengthened, supporting shared approaches to commissioning challenges and improving joint problem-solving.

The Health Board made progress toward a regional approach to fee-setting and established a more centralised commissioning function for individual patient commissioning, aligned to the commissioning cycle. Work also commenced to complete the Code's self-assessment implementation support tool; the outcomes will inform priorities for further improvement, including clarifying roles and responsibilities, strengthening assurance, and tracking delivery in 2026-27.

❖ Planning Arrangements

Assessment Against Section 175 of the National Health Service (Wales) Act 2014

There are two requirements for the health board to meet under the Act:

1. to secure that expenditure does not exceed the aggregate of the

funding allotted to it over a period of three financial years;

For 2025-26 the Health Board has not met its financial duty of remaining within the financial funding provided for revenue, as set out below. Therefore the Health Board did not meet its financial duty to break-even over the three year period of 2023-24 to 2025-26.

	2023-24 £000	2024-25 £000	2025-26 £000	**Total £000**
Net operating costs for the year	1,282,337	1,420,276	1,467,808	**4,170,421**
Less general ophthalmic services expenditure and other non-cash limited expenditure	1,562	833	615	**3,010**
Less unfunded revenue consequences of bringing PFI schemes onto SoFP	(2,711)	(3,352)	261	**(5,802)**
Less any non-funded revenue consequences of IFRS 16	0	0	0	**0**
Total operating expenses	1,281,188	1,417,758	1,468,684	**4,167,629**
Revenue Resource Allocation	1,264,375	1,375,303	1,415,523	**4,055,201**
Under /(over) spend against Allocation	(16,813)	(42,454)	(53,161)	**(112,428)**

The table above summarised the Health Boards performance against its revenue resource limit and the full financial performance is set out later in this report as part of the financial accounts.

2. To prepare a plan which sets out the strategy for securing compliance with the duty while improving healthcare, and for that plan to be submitted to and approved by Welsh Government.

   As the LHB was unable to submit a balanced integrated medium-term plan in accordance with NHS Wales Planning Framework, the Board submitted an Annual Plan for 2025-26 on 31 March 2025. This plan did not include a break even position. A response to the Annual Plan was published by Welsh Government on 11 April 2025.

   With the support of Welsh Government, the Health Board commissioned External Strategic Support focusing on 9 key deliverables, but for 2025-26 the key focus was on the identification and delivery of savings. Throughout 2025-26 the Health Board

worked with Welsh Government and its external partner to identify options to address savings target set out within the annual plan and in September a formal update was provided to Welsh Government aligned to the paper presented at the Special Board on 11 September 2025. Work continued throughout the remainder of 2025-26 on this issue of savings delivery.

However the Health Board has been unable to meet its statutory duty to have an approved financial plan.

❖ Disclosure Statements

Equality, Diversity, Inclusion and Human Rights

The Health Board is committed to treating everyone fairly and does not tolerate discrimination on the grounds of age, disability, gender identity, marriage or civil partnership status, pregnancy or maternity, race or nationality, religion or belief, sex or sexual orientation. It continues to widen access to opportunities to employment and training to attract, develop and nurture people from different backgrounds.

We All Belong is the Health Board's Strategic Equality Plan 2025-2028. We called this plan We All Belong because throughout our discussions with people, whether they were the public, patients, families, or our staff, they told us how they felt there were barriers to them accessing services because of their protected characteristic(s) under the Equality Act 2010, and they were made to feel different within our services. We wanted to ensure that every single person felt that they belonged in all our services – whether as a service user, family member supporting them, or as a member of staff. This also applied to services we commissioned from other organisations for our population

The Health Board ensures that the potential impacts on any changes to its services are considered on the above protected characteristic groups under the Equality Act 2010. It does this by developing equality impact assessments for these proposed changes which outline any impacts, including under the socioeconomic duty, so that these can be taken into account when decisions on changing services are made. This is done in partnership with Llais (formerly Swansea Bay Community Health Council), as the local NHS watchdog, to ensure that they are identified and considered appropriately as part of this.

Information Governance

The Health Board maintains a robust Information Governance (IG) framework to ensure the responsible management, protection and use of information across the Organisation. This framework includes:

- **The Digital, Data, Research & Innovation Committee (DDRI)**, which provides oversight of the information governance agenda at Board sub-committee level.
- **The Information Governance and Cyber Security Assurance Group (IGCAG)**, which supports, scrutinises and drives the IG agenda, providing assurance to DDRI that effective controls and best-practice mechanisms are in place.
- **A Caldicott Guardian**, responsible for safeguarding the confidentiality of patient information and ensuring appropriate information sharing.
- **A Senior Information Risk Owner (SIRO)**, who provides strategic ownership of information risk and ensures it is managed effectively at a corporate level.
- **A Data Protection Officer (DPO)**, who oversees compliance with data protection legislation and advises on associated risks and obligations.
- **Information Governance Champions** within each Service Delivery Group and corporate department, who champion data protection compliance and good information governance practices within their work area.

The Health Board works to a dedicated Information Governance strategic work plan that ensures organisational data protection compliance is maintained, reviewed and further developed. Ongoing improvement is achieved through monitoring, assurance activities and reporting to the Information Governance & Cyber Security Assurance Group and the Digital, Data, Research & Innovation Committee.

In line with data protection legislation, personal data breaches that meet the statutory notification criteria must be reported to the Information Commissioner's Office (ICO). During the 2025–26 financial year, **seven breaches** were notified to the ICO. A summary of these incidents is provided in the table below.

Where the ICO has issued recommendations, these have been considered for implementation by the Health Board to help strengthen organisational practice and reduce the likelihood of recurrence.

Breach Category	Summary of Breach	Summary of Actions
Unauthorised Access (ICO_055)	Staff member accessed electronic records without a legitimate business interest.	• Internal management review undertaken and disciplinary procedure followed. • Investigation into root cause and mitigating actions taken to reduce risk of reoccurrence. • Information Governance audit process undertaken and recommendations for improvement provided. • Health Board findings provided to the Police.
Disclosure – Paper (ICO_056)	A letter containing health data was mailed to an incorrect address. The letter was subsequently opened by unintended recipient.	• Investigation into root cause and mitigating actions taken to reduce risk of reoccurrence. • Legal advice sought. • Information Governance audit process undertaken and recommendations for improvement provided.
Disclosure - Paper (ICO_057)	Medical results were erroneously attached to another patient's correspondence and sent to the incorrect recipient.	• Investigation into root cause and mitigating actions taken to reduce risk of reoccurrence. • Standard Operating Procedure developed and disseminated within relevant team. • Information Governance audit process undertaken and recommendations for improvement provided.
Disclosure – Verbal (ICO_058)	Information regarding appointment attendance was disclosed to a family member without the	• Investigation into root cause and mitigating actions taken to reduce risk of reoccurrence. • A Standard Operating Procedure developed and disseminated within relevant team. • Information Governance audit process undertaken and recommendations for improvement provided.

	patient's specific consent.	
Cyber Security Incident (ICO_059)	The Health Board received confirmation of data infiltrated during a previous cyber-attack on one of its third-party suppliers in 2024.	• The risk of re-identification of data was deemed to be low and therefore the threshold to notify the ICO was not met. However, due the high-profile nature of this incident and the involvement of multiple UK NHS organisations, the decision was taken to update the ICO.
Unauthorised Access (ICO_060)	Staff member accessed records without a legitimate business interest.	• Internal management review & disciplinary procedure undertaken. • Investigation into root cause and mitigating actions taken to reduce risk of reoccurrence. • Information Governance audit process undertaken and recommendations for improvement provided. • Health Board findings provided to the Police.
Unauthorised Access (ICO_061)	Staff member accessed records without a legitimate business interest.	• Investigation into root cause and mitigating actions taken to reduce risk of reoccurrence. • Information Governance audit process undertaken and recommendations for improvement provided. • Health Board findings provided to the Police.

Ministerial Directions

Welsh Government has issued non-statutory instruments and Welsh health circulars (WHC) since 2014-15, and a list of ministerial directions circulated for 2025-26 can be found on the Welsh Government website. All relevant directions have been fully considered and implemented appropriately, with Welsh health circulars logged corporately and an executive lead assigned, as well as reported to the Board. These are set out at **appendix five.**

Wellbeing of Future Generations Act

The Board published its original objectives in relation to the Wellbeing of Future Generations Act in 2017 in its wellbeing statement and then incorporated them as part of the organisational strategy. These were:

- Giving every child the best start in life;
- Connecting communities with services and facilities;
- Maintaining health, independence and resilience of communities of individuals, communities and families.

Following a Wellbeing of Future Generations Act self-assessment in August 2019, the Future Generations Commissioner fedback to the Health Board suggested a need for greater alignment between its Wellbeing Objectives and the Seven National Wellbeing Goals, in particular those for the environment, culture (including Welsh language) and global impact. On that basis, it was agreed by the Senior Leadership team that the existing Wellbeing Objectives be reviewed and a set of refreshed Wellbeing Objectives published in the annual plan.

The engagement on the refresh identified the need to also take into account:

- Our role as provider, commissioner, partner and employer;
- Direct control, collaboration and influencing opportunities;
- Ability to demonstrate delivery;
- Focus on health inequalities and inclusivity;
- Use of clear, concise, uncomplicated language.

The refreshed Wellbeing Objectives for inclusion in the Annual Plan were agreed as set out below and remain extant:

"In our role as an Anchor Institution in the Region we are a major employer, commissioner, provider of health and care services and key contributor to the reduction of health inequalities. In support of this we will collaborate with communities and partners to:

- *Give every child the best start in life*
- *Nurture and use the environment to improve health and wellbeing*
- *Apply ethical recruitment practices and support health and care workers to be healthy, skilled, diverse and resilient*
- *Plan, commission, deliver and promote equitable, inclusive and accessible health and wellbeing services*
- *Provide opportunities to support every adult to be healthier and to age well*
- *Seek to allocate our resources to meeting the needs of, and improving, the population's health"*

While National Guidance requires the Health Board to annually publish progress made in meeting the Wellbeing Objectives for each preceding

financial year, should the Annual Review find that one or more objectives no longer maximise contribution to the achievement of the Well-Being Goals, then these must be changed and new Well-Being Objectives published as soon as possible.

Modern Slavery

Modern slavery is a crime and a violation of fundamental human rights. It takes various forms, such as slavery, servitude, forced and compulsory labour and human trafficking, all of which have in common the deprivation of a person's liberty by another to exploit them for personal or commercial gain. This statement is made pursuant to section 5(1) of the Modern Slavery Act 2015 and constitutes the Health Board's Slavery and Human Trafficking Statement for the financial year 2025-2026.

Welsh Language

As a Health Board, the vital part that the Welsh language and culture has to play in the provision of health and social care services to our resident population is recognised. Many people choose to receive services in Welsh because that is what they prefer. For others, however, it is more than a matter of choice – it is a matter of need. It is especially important for many vulnerable people and their families who need to access services in their first language, such as older people with dementia or stroke who may lose their second language and children who speak only Welsh. In addition, when discussing mental health, being able to communicate in your first language to express feelings, thoughts and emotions is important. The annual report for our Welsh language service is now available on our website.

Sustainability and Carbon Reduction

During 2025-26, the Health Board has significantly strengthened its sustainability narrative. This progress has been driven by a robust and collaborative governance structure; active engagement with staff; the Communication Team's promotion of innovative and impactful initiatives; and strong partnership working across the Public Services Boards (PSBs) and the wider NHS Wales system. Over the past year, the Governance Framework has further evolved to provide clearer direction and support for climate adaptation work, both within the organisation and in collaboration with PSB partners. Details on the work around sustainable healthcare can be found on the health boards website:Delivering sustainable healthcare - Swansea Bay University Health Board

In 2025-26, the Health Board has focused on enhancing its implementation of the Well-being of Future Generations Act by embedding the five ways of working into strategic planning and launching our Organisational Strategy *'A Healthier Swansea Bay'*, which provides clear long-term strategic direction and objectives that are aligned to the principles of the Act. We published, *'Our Journey to Sustainable*

Healthcare 2024-25' and submitted a formal response to the Future Generations Commissioner's 2025 report. The Health Board's partnership arrangements through Swansea and Neath PSBs remains the main vehicle to delivering the priorities of the Act on a regional footprint. We continue to work in collaboration to deliver priorities outlined in the Well-Being Plans, especially in relation to prevention and equity-focused initiatives aligned to the Swansea Bay Population Health Strategic Plan and Marmot principles. These include the Food System, with a particular focus on procurement, Children and Young People, and Climate Action.

Foundational economy (FE)

The Foundational Economy (FE) is the part of our economy that creates and distributes goods and services that we rely on for everyday life, including health. It seeks to understand how public spend is linked with wellbeing of the region and can be considered through the lenses of people, place and procurement.

This work is further strengthened through activity within the South West Wales Regional Joint Committee (RJC) and the Regional Health Economy Subgroup, where a '4Ps' approach—people, place, procurement and partnership, has been embedded across the agreed programme of work. The programme is jointly led by the Directors of Public Health in Swansea Bay University Health Board and Hywel Dda University Health Board, ensuring strong alignment and a shared focus on prevention-led approaches.

PEOPLE: Foundational Economy aligned activity delivered this year includes:

- **Strengthening community access to fair and secure employment**, through continued cross-team collaboration on programmes including early identification of entry-level roles, and delivery of careers information sessions within local schools and community settings including sessions at local Special Educational Needs (SEN) Schools highlighting the wide range of careers in the NHS. This supports local people to access stable employment within a key foundational sector.
- **Creating supported pathways for individuals with additional learning needs**, expanding programmes that move students from long-term work experience placements into structured apprenticeship roles. This reinforces inclusive employment, reduces barriers to long-term labour market participation, and supports equitable access to public-sector opportunities.
- **Developing internal talent pipelines**, including the talent identification and partnership working with Workforce Planning to support retention, upskilling and progression for existing staff. This

aligns with the foundational principle of sustaining local jobs and strengthening long-term workforce capability; leading to recruitment of 2.0WTE Electrical apprentices in Estates.

- **Enhancing partnerships with regional employability providers and third-sector organisations**, enabling targeted support for individuals currently out of work, including pre-employment training, taster placements and work-readiness programmes. These partnerships help address wider social inequalities and promote economic participation across the region and new programmes within the Vocational Training team continue to provide this.
- **Expanding access to apprenticeship and widening-participation routes**, increasing Level 2 and Level 3 opportunities for young people, career changers and individuals experiencing barriers to employment. This supports long-term local workforce development and strengthens the public-sector contribution to the area's economic resilience; using apprenticeships as an alternative to like-for-like recruitment and looking at how roles can be redesigned to meet the organisational need.
- **Delivering employability and skills-focused workshops**, including CV and interview support linked to HB recruitment campaigns, ensuring that local communities can benefit directly from public-sector job creation and workforce demand.
- **Improving monitoring and evaluation of employment pathways**, introducing enhanced tracking of participation and outcomes to ensure that initiatives deliver measurable social and economic benefits aligned with Foundational Economy priorities as well as helping to meet retention goals internally.

PLACE: Our understanding of the 'Place' element of FE has developed significantly over 2025-26, which seeks to detail the benefits of co-location of services within the Health Board. Examples include care closer to home and understanding what services can be taken out of the acute sector and placed in town centres to enable accessibility and support regeneration of town centres. Two examples have been identified in this report, including:

- The Health Board continues to work collaboratively with Swansea and Neath Port Talbot Councils on the development of their Local Development Plans (LDPs) and have submitted formal responses during their respective 2025 consultation periods. The Health Board has supported the preparation of Health Impact Assessments (HIAs) and workshops to assess population health, wellbeing and infrastructure implications of the LDPs. To enable ongoing engagement a joint Technical Working Group has been established, chaired by the Health Board and activity to date, includes feedback to Neath Port Talbot Council on their planned residential developments and the impacts on GP practices.

- The Health Board previously operated a centralised dialysis service, requiring patients to travel long distances for vital treatment. To create a more patient-centred model, it partnered with Fresenius Medical Care to establish independent satellite dialysis units in Aberystwyth, Withybush, Carmarthen and Bridgend, with plans for Neath Port Talbot. These units bring care closer to home, improving patient experience and service sustainability. Benefits include major reductions in travel time, emissions and reliance on NHS transport; greater patient independence through improved accessibility; stronger family and social support; better workforce distribution across sites; and more sustainable infrastructure, including electric vehicle charging points.

PROCUREMENT: The Health Board's procurement process is managed through its NWSSP-based team, ensuring that work within procurement follows best practice across Wales. Examples of recent developments include the use of multi-quote to encourage collaboration with Welsh suppliers, an FE calculator to understand impacts of Welsh based contracts, and work with a key Welsh provisions' supplier, Castell Howell, where social value weighting was key. In 2025, the Health Board continued to demonstrate its commitment to supporting the Welsh economy, with **41.9% of total expenditure** directed to Welsh suppliers. This represents an investment of **£279.3 million** in local businesses over the year.

Climate change

Climate is one of the key areas within the WBFGA, with the Health Board's Climate Action Plan 2024-26 (CAP) focusing on five pivotal areas, progress made during 2024-25 includes:

Our Culture and Ways of Working: Considering leadership, training, communications, benchmarking, and reporting

- Extensive communications across the year, including a focus in November 2025 to coincide with United Nations Climate Change Conference of the Parties (COP)
- Integration of a 'Sustainability and Environment' section into the Staff Induction Handbook
- Development of the Climate Change Risk and Opportunity Assessment (CCROA) to support understanding of the impacts from climate on delivery of healthcare
- Collaboration with the two Public Services Boards around identifying and mitigating climate related risks

- In-person sustainability inductions and training for graduate nurses and medical students provided by the Sustainability Clinical Leads

Our Buildings and Estate: Understanding how our buildings and estate can support emissions reductions. Progress in 2025-26 includes:

- In 2025, the Health Board launched an energy reduction campaign aimed at encouraging staff to switch off lights and equipment when not in use. Inspired by the popular series Bridgerton, the initiative featured themed communications from 'Lady Turnitdown' to drive engagement. The campaign was sponsored by Vital Energy and was creatively developed and delivered in collaboration with students from Swansea University.
- Endotherm, a chemical additive used to enhance heat transfer efficiency within water systems, was successfully trialled at one site, delivering an 18% reduction in energy consumption. Following this positive outcome, the solution has been rolled out across all Health Board sites.

Our Procurement: Understanding and addressing impacts from our supply chain with NWSSP. Progress in 2025-26 includes:

- Programme in place to support better stock management to reduce expired items and associated waste, this includes Scan 4 Safety, Omnicells, and ward level inventory review.
- Investigation into opportunities for reuse has led to this becoming a contract consideration at the design phase of the procurement exercise. It has also supported the decision to return to reusable blood pressure cuffs and tourniquets.

Our Transport: Building sustainable transport and travel to/from and within the Health Board. Progress in 2025-26 includes:

- Provision of information to staff, patients, and visitors on travelling more sustainably to our sites. This includes Cycle2Work and salary sacrifice for Electric Vehicles for our staff, and travel planners to our sites on the Health Board website.
- Working with Public Transport Providers, including First Cymru and Transport for Wales, to improve access to sites and ensure times of services work for staff, as well as offering travel discounts
- Partnering with other public and third sector organisations across Swansea and Neath Port Talbot through the Healthy Travel Charter
- Building involvement through the Bike Users Group for staff and the Sustainable Travel Group, including site representatives, unions and corporate areas

- Engaging with the South West Wales Corporate committee to collaborate on sustainable journeys to health care setting for patient, visitors and workforce.
- Collaborating with the Local Authorities around their local development plans and shaping their active travel capital developments which includes links to health care settings for patient, visitors and workforce

Our Sustainable Healthcare: How we can deliver clinical services in a way that is mindful of environment, impacts on future generations and improving patient outcomes. Progress in 2025-26 includes:

- Integrating social value key performance indicators in third sector contractors, as part of the HB's recommissioning programme, to capture how contracts benefit and support the Well-Being of Future Generations Act (2015), Foundational Economy, and climate resilience
- Development of a repository of examples of what sustainability looks like in Quality Improvement to support integration in Health Board led courses
- Monthly sessions with guest speakers to inspire and support staff interested in becoming more sustainable, this has included:
    - Catrin Codd, Community & District Nursing: Minuteful Wound App
    - Annie Hill, Occupational Therapy: OT & Sustainability at Cefn Coed Hospital
    - Yvie Powe, GCG Dental Practice: Sustainability in Primary Care Dental
    - Daniel Greenwell, Pharmacy: Oral to IV Paracetamol Project and Pharmaceutical Waste Project
    - Obstetrics and Gynaecology: Obstetrics and Sustainability
- Achieving bronze and progressing to Silver in the Green ED scheme, led by Sue West-Jones one of the Sustainability Clinical Leads
- Assessment of waste items and opportunities for recycling and circular economy in the Jill Rowe Neurology Ambulatory Unit, led by Alex Strong one of the Sustainability Clinical Leads in collaboration with Swansea University's ARCS project
- Switching off nitrous oxide manifolds at Morriston Hospital and moving to cannisters to reduce accidental releases, lower emissions, and reduce costs led by Elana Owens one of the Sustainability Clinical Leads in collaboration with Estates
- Multiple workflows have been digitised including Hospital Initiated Referral (HIR) functionality in Welsh Clinical Portal went live for Neurology, with Dermatology, Respiratory, and Urology planned for July

- Hybrid Mail expanded to nine services, with a task and finish group overseeing adoption and financial efficiencies, saving money and reducing Health Board emissions
- Continued work with Primary Care to support move to lower emissions inhalers, with quarterly tracking and support offered to areas where uptake is lower
- Innovations moving from IV to oral paracetamol by the Pharmacy Team, reducing emissions, cost and waste, as well as improving patient experience
- Estates Technical Team led switch to 'offensive waste' or tiger bags, with the World Health Organisation estimating 'about 85% is general, non-hazardous waste[3]' but disposed as clinical waste, this saves money and reduces emissions
- Collaborative change between Sustainability Clinical Leads, Infection Prevention Control, and Procurement to enable a return to reusable blood pressure cuffs across the Health Board.

Adaptation planning: The Health Board completed its first Climate Change Risk and Opportunity Assessment (CCROA) in 2025 in response to new Welsh Government adaptation requirements. With climate change already affecting the region, through hotter summers, more intense storms, and more frequent and intense flooding. The HB assessed how current and future climate conditions threaten services, staff, infrastructure, and population health.

The assessment identified 135 risks, of which 33 are high, spanning workforce wellbeing, clinical equipment failure, building resilience, digital infrastructure, supply chains, transport disruption, and widening health inequalities. Heat is a major concern, affecting staff performance, patient safety, pharmaceuticals, and building functionality. Flooding, storms, and air quality deterioration also pose significant operational and health risks, particularly for vulnerable groups.

Eight areas require deeper investigation, including clinical specialties, population health, infection control, pharmaceuticals, buildings, and partner organisations. Opportunities were identified in the therapeutic use of nature, green prescribing, and outdoor spaces to support wellbeing.

The Health Board will integrate identified actions into the refreshed Climate Action Plan from 2026, focusing on risk treatments, evidence building, and collaboration across NHS Wales and regional partners. Adaptation will be embedded into routine planning, monitoring, and governance to build long-term resilience across the health system.

[3] https://www.who.int/news-room/fact-sheets/detail/health-care-waste

All Wales collaboration via Adaptation Accelerator: Meeting with the other Climate Preparedness Leads on a regular basis leading to shared discussions and mapping of existing climate adaptation work being undertaken, development of an All-Wales proposal, and sharing resources and materials e.g. draft plans, questionnaires etc. Discussions have occurred with the wider system including, NWSSP Risk Pool, NHS Wales Performance and Improvement, Climate Health Surveillance Team, and All Wales Therapeutics and Toxicology Centre. This has been supported by working with Welsh Government, to commence an investigation into pharmaceuticals and heat.

Swansea Public Services Board – Climate and Nature Working Group (SC&N): The Health Board sits on the SC&N and is an active member. Currently the group is developing their climate adaptation action plan, which is largely focused on building community adaptive capacity with increased access and awareness to climate adaptation supporting materials, this includes emergency preparedness information for extreme weather events. The plan recognises and links with existing work occurring on food (Bwyd Abertawe) and biodiversity (Local Nature Partnership). The group is also seeking to build climate change awareness into the other 4 wellbeing objectives include:

- Early years - ensuring that children have the best start in life to be the best they can be.
- Live well, age well - building Swansea a great place to live at every stage of life.
- Strong communities - building cohesive and resilient communities with a sense of pride and belonging.
- Culture - fostering a vibrant culture and thriving Welsh language

During a workshop in 2025 it became evident the impacts from climate change were not considered across the wider group, but there were extensive impacts from climate change on each area.

Neath Port Talbot Public Services Board – Climate and Nature Working Group (NPTC&N): The Health Board sits on the NPTC&N and is an active member, with Marc Davies (Public Health Consultant) being Deputy Chair of the group. 2025-26 has seen procurement of a consultancy group to support development and run initial engagement across the NPT region around climate risk and adaptation. Due to be completed end of March 2026. Working with Miller Research UK there is now a pack for anyone to conduct engagement around climate risk and adaptation, with the intention to make accessible to groups across Neath Port Talbot to enable discussions. This could be utilised in the Health Board in the future.

Climate Action Plan (CAP) 2026-30: The Climate Action Plan (CAP) was refreshed in 2025–26 to reflect key national developments, including the revised NHS Wales Decarbonisation Strategic Delivery Plan, the Climate Adaptation Strategy for Wales, and the organisation's updated Climate Change Risk and Opportunity Assessment. The new CAP integrates both climate mitigation and adaptation, strengthening organisational resilience by embedding decarbonisation actions alongside measures that build adaptive capacity and enhance the evidence base across services. It is also aligned with wider legislative and strategic frameworks, such as the Well-being of Future Generations Act and Net Zero Wales. The plan is submitted alongside the Health Board's Annual Plan.

Task Force on Climate-related Financial Disclosures (TFCD) Statement

The Health Board is committed to action on climate change through reducing the emissions associated with service delivery and building a response to climate adaptation. This is being achieved through implementing the CAP 2024-26.

In 2025-26, public sector organisations in Wales have been requested to provide a TFCD Compliance Statement and the recommended disclosures for:

- Phase 1: Governance; and Metrics and Targets (b), only where available from existing reporting processes.

The following statements fulfil this requirement.

Governance Arrangements

The Health Board's Senior Responsible Officer for Sustainability, which includes climate-related work, is Marie Davies (Executive Director of Planning and Partnerships). The core group overseeing work on sustainability is the Sustainable Swansea Bay Steering Group, chaired by Hannah Roan, the Assistant Director of Planning & Partnerships.

The governance structure is shown in Figure 1 whereby, Sustainable Swansea Bay Steering Group reports directly to the HB's Management Board, with information shared through the Population Health Programme Board, as required. Implementation of the Climate Action Plan is managed through the action owner's local governance arrangements, with assurance brought to Sustainable Swansea Bay Steering Group.

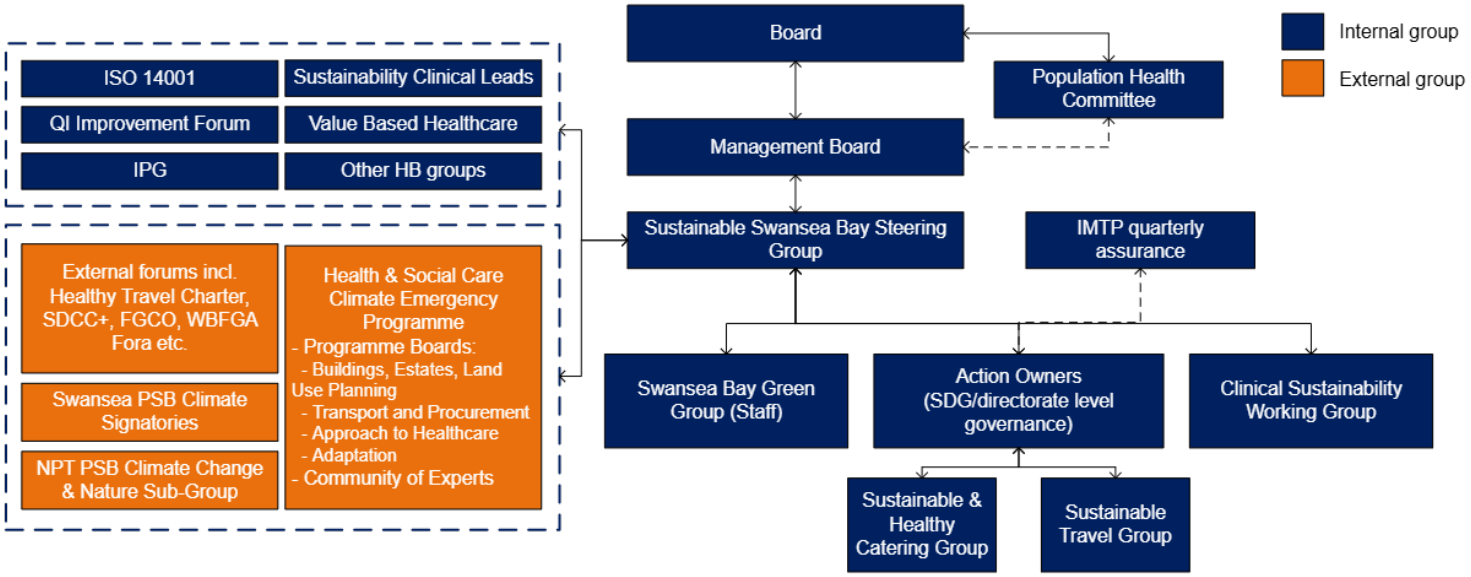


Figure 1 Organogram of Sustainability

During this period, four climate-related reports were approved by the Health Boards Management Board including:

- Combined report seeking approval of the annual emissions calculation and a move to reusable blood pressure cuffs and tourniquets, as well as an update on the climate change adaptation work
- Swansea Public Services Board Climate Adaptation Strategy: A Resilient Swansea
- Climate Change Risk and Opportunity Assessment Report
- Refreshed Climate Action Plan 2026-2030

These reports, alongside the Executive Director of Planning and Partnerships' bi-monthly updates to the Board, help to build awareness and strengthen support for the Health Board's climate change agenda. In addition, an Independent Member (IM) has now been appointed as a sustainability champion, providing further leadership and challenge in this area. During 2025-26, sustainability and climate-related priorities were embedded within the Annual Plan and strategic objectives, with carbon emissions introduced as a formal strategic indicator.

Climate change is a key area of focus within the Population Health Strategy which sets out the guiding principles by which the Health Board and its partners will seek to improve the overall health and well-being of the local population. It also seeks to tackle how to reduce the gap between our least and most deprived communities with a focus on prevention and tackling the 'causes of the causes' of ill-health. Climate change is most evident in:

- Objective 5: Creating healthy and sustainable places and communities

- Cross-cutting theme 2: Pursue environmental sustainability and health equity together

Swansea Public Services Board Climate Adaptation Strategy, A Resilient Swansea, was approved by Management Board on 17 September 2025. A supporting action plan is in development.

Neath Port Talbot Public Services Board is currently undertaking engagement across the region to understand perception of climate risk, existing climate impacts, and actions that could support climate resilience. The Health Board is supporting this work through the role in the Climate and Nature Working Group.

Metrics and Targets

The 2024-25 emissions assessment for the Health Board provided the most comprehensive data set across the three scopes. Emissions totalled 174,225.71 tCO2e, 32,281.5 tCO2e more than in 2023-24. The increase was driven by a change in supply chain emissions methodology, increase in f-gas use, increase in natural gas use, increase in oil use, increase in number of full-time equivalent staff which increases commuting estimates, and the inclusion of 'Homeworking' category (based on Welsh Government estimate equation). The 2025-26 data will be submitted in September 2026 and published by Welsh Government after this.

Aspect	2024-25 (tCO_2e)	Variance to 2023/24 (%)	Driver
SCOPE 1			
Natural gas	11,579.66	+5.55	• Increase in cold weather days compared to 23/24 resulting in increased heating
Gas oil	250.43	+87.93	• Refill tanks at Morriston Hospital
Kerosene	49.63	-30.86	• Reduced use
Fleet vehicles	372.45	-0.43	• Reduced fuel used
F-Gas	2,304.51	+971.04	• Increased due to release and refill at Morriston
Anaesthetic gases	2,426.22	-23.66	• Reduced use of all gases, first year of 'Penthrox recorded'
Scope 1 total	16,982.90	+13.65	
SCOPE 2			
Grid electricity	6,450.54	-0.78	• Reduced use –linked with battery storage and expansion of the solar farm
Scope 2 total	6,450.54	-0.78	
SCOPE 3			

Aspect	2024-25 (tCO_2e)	Variance to 2023/24 (%)	Driver
Supply chain	137,170.53	+27.20	• Change to Tier 1 SIC emissions factors by UK Gov
Commuting	5,251.17	+5.28	• Increased number of FTE staff
Homeworking	836.71	NEW	• New category
Business travel	1,004.24	-7.75	• Reduced total milage claimed by staff
Transmission and distribution (grid)	572.21	+1.37	• Linked to electricity use
Water	84.98	-6.07	• Reduced water use
Waste	725.63	-12.22	• Reduction in emissions factors for 6 categories of waste, including highest 'Commercial and Industrial waste' by combustion
Well to tank GHG emissions	5,146.80	+0.79	• Linked with increases in natural gas, gas oil, and commuting
Scope 3 total	150,792.80	+25.14	
Total	**174,225.71**	**+22.74**	

The Health Board supports the wider NHS Wales emissions reduction targets of:

- 16% reduction by 2025
- 34% reduction by 2030

The Health Board acknowledges that the 2025 target was not met across all three scopes, however, there has been success in Scope 1 and 2.

Scope		2018/19* (tCO_2e)	2024/25 (tCO_2e)	Difference (%)
1	Direct emissions from owned or controlled sources incl. natural gas, gas oil, kerosene, fleet, fluorinated gases, and anaesthetic gases	26,123.40	23,433.44	**-10.30**
2	Indirect emissions from the purchase/use of electricity incl. grid electricity			
3	All other indirect emissions (up/downstream) incl. supply	110,063.30	150,792.27	**+37.01**

	chain, commuting, business travel, water, waste, well to tank, and transmission and distribution (grid)			
Total		136,186.70	174,225.71	**+27.93**

*Based on Welsh Government reviewed baseline based on change in footprint

Note: Scope 1 and 2 emissions have reduced despite 3 additional categories to the baseline, including kerosene, F-gas and anaesthetic gases

Local Counter Fraud Services

The Local Counter Fraud Specialist (LCFS) is an accredited counter fraud professional who delivers both proactive work (e.g., raising fraud awareness, preventing, and deterring fraud) and reactive work to hold those who commit fraud to account (e.g., fraud investigations). The LCFS provides reports to Audit Committee and the Executive Leadership Team in relation to the quality and effectiveness of all counter fraud bribery and corruption work undertaken.

Counter fraud, bribery and corruption objectives are discussed and reviewed at a strategic level within the organisation. The Audit Committee is accountable for gaining assurance that sufficient control and management mechanisms in relation to counter fraud, bribery and corruption are present.

This is achieved through quarterly updates to the Committee from the LCFS, supported by an annual report on counter fraud, bribery and corruption work which complies with the NHS Counter Fraud Authority's guidance in relation to content regarding all applicable standards for fraud, bribery, and corruption; and provides a clear update on progress against work plan objectives.

The Committee must satisfy itself that the Health Board has adequate arrangements in place for countering internal fraud and reviews the outcomes of that work, and acknowledges work completed against presented risks and an agreed work plan. The Committee reviews and approves the internal counter fraud arrangements on an annual basis.

NHS Pensions

As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employer obligations contained within the scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments are in accordance with the scheme rules, and that member records are accurately updated in accordance with the timescales detailed in the regulations.

Quality of Data

The Management Board, Performance and Finance Committee, and Digital, Data, Research and Innovation Committee receive regular reports setting out key performance and business intelligence information. This is supported by a comprehensive Business Intelligence Team, which provides analysis and oversight to support decision-making and performance management. Together, these arrangements provide assurance over the quality, integrity and use of organisational data. The Health Board also has a Business Intelligence Strategy 2022–25 and is developing a new Business Intelligence delivery model to optimise staff skillsets and improve efficiency across the organisation

Nurse Staffing Levels (Wales) Act 2016

The Board reviews compliance with the Nurse Staffing Levels (Wales) Act 2016, with reports received twice a year – May and November. The most recent report was in November 2025

❖ Review of Effectiveness

As accountable officer, I have responsibility for reviewing effectiveness of the system of internal control. This is informed by the work of Internal Audit and Executive Directors who are responsible for the development and maintenance of the Internal Control Framework and comments made by External Auditors. Work has continued to improve the performance information provided to the board and its committees so that it can be assured on its accuracy and reliability as well as ensure the achievement of Organisational Objectives. As part of the implementation of the Board Assurance Framework, Committees now have delegated responsibilities to monitor developments in their areas, as the Board is accountable for maintaining a sound system of internal control which supports the delivery of the Organisation's Objectives, primarily through the Audit and Quality and Safety committees.

Internal Audit

Internal audit provide me as Accountable Officer and the Board through the Audit Committee with a flow of assurance on the system of internal control. I have commissioned a programme of audit work which has been delivered in accordance with Global Internal Audit Standards by the NHS Wales Shared Services Partnership. The scope of this work is agreed with the Audit Committee and is focused on significant risk areas and local improvement priorities.

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

❖ Head of Internal Audit Opinion

The purpose of the annual Head of Internal Audit opinion is to contribute to the assurances available to the Chief Executive, in their role as Accountable Officer, and to the Board, which underpin the Board's own assessment of the effectiveness of the system of internal control.

The approved Internal Audit plan is focused on risk. Accordingly, the Board is required to integrate the results of internal audit work alongside other sources of assurance when forming its overall assessment of the effectiveness of internal control for the purposes of the Annual Governance Statement.

The overall Head of Internal Audit opinion for 2025–26 is:

Reasonable Assurance		The Board can take **Reasonable Assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance with low to moderate impact on residual risk exposure until resolved.

❖ Delivery of the Internal Audit Plan

The Internal Audit Plan has been delivered substantially in accordance with the agreed schedule and any changes required during the year, as approved by the Audit Committee (the 'Committee'). Regular audit progress reports have been submitted to the Committee throughout the year.

While changes to the plan were required during the year, we can confirm that sufficient audit work has been undertaken to support the provision of an overall annual opinion, in line with the requirements of the Global Internal Audit Standards.

The Internal Audit Plan for 2025-26 was initially presented to the Committee in March 2025. Any subsequent changes to the plan were reported to, and approved by, the Audit Committee as part of our routine progress reporting.

As in previous years, audit work undertaken at NHS Wales Shared Services Partnership (NWSSP), Digital Health & Care Wales (DHCW), and the NHS Wales Joint Commissioning Committee (JCC), has contributed to,

and supports, the overall internal audit opinion for NHS Wales health bodies.

Our most recent External Quality Assessment (EQA), conducted by the Chartered Institute of Public Finance and Accountancy (CIPFA) in March 2023 and reported in April 2023, concluded that the service 'Fully Conforms' with professional standards. In addition, our annual Quality Assurance and Improvement Programme (QAIP) confirmed that internal audit activity continues to 'generally conform' to the requirements of the Global Internal Audit Standards (GIAS) during 2025/26. On this basis, we can state that the service 'conforms to the Institute of Internal Auditors' professional standards and to GIAS.'

- **Summary of Audit Assignments**

This section summarises the outcomes from internal audit work undertaken during the year. Audit coverage agreed with management was deliberately focused on areas of highest strategic and operational risk. As a result, individual reviews may identify control weaknesses which, due to the risk-based nature of the plan, have the potential to influence the overall assurance opinion.

Overall, Internal Audit is able to provide assurance to the Board that arrangements to support effective governance, risk management, and internal control are suitably designed and operating effectively in those areas where Substantial or Reasonable assurance has been provided.

Where Limited or Unsatisfactory Assurance opinions have been issued, management is aware of the specific issues identified and has agreed appropriate action plans to strengthen controls. These planned improvements should be referenced within the Annual Governance Statement where appropriate.

In addition to the formal assurance reviews, advisory and non-opinion work has also been undertaken during the year and has informed the Head of Internal Audit's overall opinion. The audits undertaken during the year, together with their outcomes, are summarised in the table below.

Substantial Assurance	• Digital Benefits Realisation • Management of the Delivery of National Digital Systems
Reasonable Assurance	• Risk Management and Assurance • Budget Setting • Patient Experience • Management of National Reportable Incidents • Controlled Drugs

	• National Safety Standards for Invasive Procedures (NatSSIPs) and Local Safety Standards for Invasive Surgical Procedures (LocSSIPs) (draft) • Access to Primary Care: Community Pharmacy • Theatres Utilisation • Vaccination and Immunisation • Health Records Migration • Staff Retention • Medical Study Leave • Estates Assurance: Asbestos Management • Morriston Hospital Theatre 7 / Burns Intensive Care Unit (post completion review) (draft) • Singleton Hospital PET (positron emission tomography) and CT (computerised tomography) Scanning (draft)
Limited Assurance	• Service Group Governance Arrangements: Morriston • Escalation Status Action • Annual Plan / IMTP Delivery • Urgent and Emergency Care: Delivery Governance • Strategic Equity Plan (deferred from 2024/25)
Unsatisfactory Assurance	None
Advisory/ Non-Opinion	• Hywel Dda University Health Board and Swansea Bay University Health Board Regional Joint Committee (Advisory) • Follow Up of Internal Audit Recommendations (Not-rated)
Work in progress	• Medical Variable Pay • Capital Assurance: Capital Systems - Selection, Appointment and Contractual Arrangements (deferred from 2024/25)

❖ Overall Conclusion

Of the opinions issued during the year, two were allocated Substantial Assurance, fifteen were allocated Reasonable Assurance, and five were Limited Assurance. There were no Unsatisfactory assurance opinions. We have also issued two reports that are either advisory or no-opinion follow up reports. At the time of producing the Annual Report, two audits were still work in progress and the assurance ratings had not yet been

determined. It is anticipated that the majority of this work will be sufficiently progressed to inform the final Annual Report.

In forming the overall opinion, the Head of Internal Audit has considered:

- residual risk exposure in areas receiving Limited Assurance;
- the impact of audits originally planned but not progressed to full reviews following preliminary planning; and
- the cumulative effect of in-year changes to the approved audit plan.

All changes to the plan were reported to, and approved by, the Audit Committee. While the Annual Opinion is necessarily limited to those areas subject to audit review, the potential impact of plan amendments has been considered in determining the overall level of assurance.

Every internal audit review is reported to the Audit Committee. Where Limited Assurance opinions are issued, the relevant Executive Leads are required to attend Committee meetings to explain the findings and present agreed action plans. These reviews are also referred to the relevant Board committee to support ongoing monitoring and improvement.

An audit recommendation tracker in place to monitor the implementation of both internal and external audit recommendations. Progress against this tracker is reported regularly to the Audit Committee. Where recommendations are overdue, the responsible leads are required to attend the Committee to explain the reasons for delay and confirm next steps.

❖ External Audit

The organisation's financial planning and management arrangements, governance and assurance arrangements and progress on improvement issues identified in the previous year's structured assessment were examined by Audit Wales and it was concluded that:

" *Overall, the Health Board has good governance arrangements that enable the Board and its committees to run effectively. High-quality information continues to support scrutiny, and there remains a continued commitment to hearing from patients, service users, and staff. However, we continue to find areas where Board transparency could be further enhanced.*
External support is helping the Board develop and mature, and progress has been made to further strengthen arrangements for managing risk. The Health Board has recently agreed a revised long-term strategy, and work has started to ensure the organisation is set up to for success. But a revised performance management framework is not yet fully in place and audit recommendations are taking time to be addressed.

Of greatest concern however, is the Health Board's financial position. A substantial year-end deficit is forecast for 2025-26 with the Health Board's current savings plan considerably off track. Both the Board and Welsh Government were unable to approve the Health Board's Annual Plan due to the financial position. Additional support from Welsh Government as part of its escalation and intervention arrangements is starting to help. But savings schemes are short term and the ability to control the position in the remaining months of the financial year is a challenge. Without decisive and sustained action, the financial position risks further deterioration".

The Health Board responds to the structured assessment via a formal management response to Audit Wales. The Health Board in its management response committed to improving website content, implementing live streaming of Board meetings, improving visibility of speakers through new camera equipment, and revising the process for publication of Board and Committee papers, supported by staff training. Progress has also included publication of committee meeting dates on the website and changes to align committee and Board timetables to support more timely publication of papers.

The full Structured Assessment Report is available from Audit Wales's website and the management response is being monitored through the Audit Committee.

In addition to the Structured Assessment, the Health Board received the Annual Report from Audit Wales in which the Auditor General summarised:

"I received the draft accounts in line with the statutory deadline of 2 May 2025. The quality of the draft accounts and working papers was good.

In advance of the statutory deadline of 30 June 2025 I issued an unqualified true and fair opinion, and a qualified regularity opinion. I also issued a substantive report on the accounts. There were no uncorrected misstatements in the accounts. There were no other significant issues to report.

My performance audit work found that the Health Board has good governance arrangements, and the Board is continuing to develop and mature. However, its financial position remains a significant concern. A substantial year-end deficit is forecast and delivery of the savings plan is challenging, with the Health Board still unable to demonstrate financial balance in the short or medium term.

Progress is being made to reduce some of the longest elective waits but there is more to do. Urgent and emergency care performance continues

*to be a concern and is adversely affected by delayed hospital discharges. My audit team made several recommendations to the Health Board which focus on strengthening service planning, management, financial controls, and transformation support, while enhancing operational efficiency and producti*vity to improve patient Care and system sustainability.

I concluded that the Health Board's accounts were properly prepared and materially accurate and issued an unqualified audit opinion on them. My work did not identify any material weaknesses in internal controls (as relevant to my audit), and I made no recommendations"

❖ Conclusion

As Accountable Officer, I am responsible for maintaining a sound system of governance, risk management and internal control that supports the achievement of the Health Board's objectives, safeguards public funds and assets, and ensures compliance with statutory and regulatory requirements.

Based on the processes outlined within this Annual Governance Statement, I have reviewed the evidence and assurances available in relation to the effectiveness of the system of internal control for the year ended 31 March 2026. This review has been informed by the work of Internal Audit, External Audit, the Health Board's committees, and executive management, alongside routine performance, risk and assurance reporting.

The Health Board has continued to operate in a highly challenging environment during 2025–26, with sustained operational pressures, ongoing escalation arrangements, and significant financial constraints. While these challenges remain similar to those reported in the previous year, there is evidence of improvement in governance arrangements and increased organisational grip, supported by strengthened assurance processes and clearer accountability.

Despite the significant pressures experienced during the year, some stability and progress have been achieved, including de-escalation from enhanced monitoring or targeted intervention in certain areas. This reflects the collective efforts of staff and leaders across the organisation.

Taking all sources of assurance into account, my review has concluded that the Health Board has a generally sound system of internal control that supports the delivery of its policies, aims and objectives. While there are areas requiring continued focus and improvement, appropriate plans are in place and are being actively monitored through the Health Board's governance framework.

Abigail Harris
Chief Executive
Swansea Bay University Health Board

Board and Committee Arrangements

NB: Other groups also have a reporting line to committees, however they are not shown on this diagram.

GIG CYMRU NHS WALES
Bwrdd Iechyd Prifysgol Bae Abertawe
Swansea Bay University Health Board

BOARD

- Performance and Finance
- Audit
- Remuneration & Terms of Service
- Mental Health and Capacity Act Legislative
  - Hospital Managers Power of Discharge Sub Group
- Charitable Funds
  - Charitable Funds Bids Panel
- Quality & Safety
- Population Health Committee
- Workforce and OD
- Digital, Data, Research & Innovation

Groups Reporting to the Board

- Public Service Boards
- West Glamorgan Regional Partnership Board
- Regional Joint Committee

Joint Committees

- National Health Service Wales Joint Commissioning Committee
- NHS Wales Shared Services Partnership (NWSSP)

Advisory Groups

- Local Partnership Forum
- Stakeholder Reference Group
- Healthcare Professionals Forum

KEY

- Committees
- Sub Groups
- Advisory Groups
- Groups Reporting to the Board
- Joint Committees

Ref:25-0617

Appendix Two – Board and Committee Membership

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

The following table provides information on committee membership as at 31 March 2026

Independent Members			
Name	**Position**	**Area of Expertise Representation Role**	**Board Committee Membership**
Jan Williams	Chair	N/A	• Health Board (Chair) • Remuneration and Terms of Service Committee (Chair) • Regional Joint Committee (Co-Chair)
Steve Spill	Vice-Chair	Mental Health Primary Care	• Health Board (Vice-Chair) • Mental Health Legislation Committee (Member) • Audit Committee (Member) • Quality and Safety Committee (Member) from Jan 2026 • Charitable Funds Committee (Member) • Remuneration and Terms of Service Committee (Member) • Performance and Finance Committee (Member) • Population Health Committee (Chair)
Anne-Louise Ferguson	Independent Member	Legal	• Health Board (Member)

			• Remuneration and Terms of Service Committee (Member) • Quality and Safety Committee (Member) • Workforce and OD Committee (Member) • Mental Health Legislation Committee (Chair)
Andrew Griffiths	Independent Member	ICT	• Health Board • Audit Committee (Member) • Workforce and OD Committee (Member) • Digital, Data, Research and Innovation Committee (Chair) • Remuneration and Terms of Service Committee (Member)
Keith Lloyd	Independent Member (until December 2025)	University	• Health Board (Member) • Digital, Data, Research and Innovation Committee • Quality and Safety Committee • Remuneration and Terms of Service Committee (Member)
Charlotte Rees	Independent Member (from February 2026)	University	• Health Board (Member) • Digital, Data, Research and Innovation Committee • Remuneration and Terms of Service Committee
Jackie Davies	Independent Member (until August 2025)	Trade Union	• Health Board (Member) • Remuneration and Terms of Service Committee (Member) • Workforce and OD Committee (member) • Mental Health Legislative Committee (Member)

			• Charitable Funds Committee (Member) • Quality and Safety Committee (Member)
Martin Lloyd	Independent Member (from Sept 2025)	Trade Union	• Health Board (Member) • Remuneration and Terms of Service Committee (Member) • Workforce and OD Committee (member) • Mental Health Legislative Committee (Member) • Charitable Funds Committee (Member) • Quality and Safety Committee (Member)
Jean Church	Independent Member	General	• Health Board (Member) • Remuneration and Terms of Service Committee (Member) • Digital, Data Research and Innovation Committee (Member) • Performance and Finance Committee • Quality and Safety Committee (Chair) • Regional Joint Committee (Member)
Nicola Matthews	Independent Member	Local Authority	• Health Board (Member) • Remuneration and Terms of Service Committee (Member) • Charitable Funds Committee (Chair) • Population Health Committee (Vice Chair) • Quality and Safety Committee (Member)
Reena Owen	Independent Member	Community	• Health Board (Member) • Renumeration and Terms of Service Committee (Member) • Performance and Finance Committee (Member)

			• Population Health Committee (Member) • Workforce and OD Committee (Chair)
Nuria Zolle	Independent Member	Third Sector	• Health Board (Member) • Renumeration and Terms of Service Committee (Member) • Audit Committee (Chair) • Digital, Data, Research and Innovation Committee (Member) • Population Health Committee (Member)
Patricia Price	Independent Member	Finance	• Health Board (member) • Renumeration and Terms of Service Committee (Member) • Mental Health Legislation Committee (Member) • Performance and Finance Committee (Chair) • Audit Committee (Member) • Regional Joint Committee (Member)
Cllr. Alun Llewelyn	Associate Board Member (from February 2026)	Deputy Leader, Neath Port Talbot Council	• Health Board (Member)
Pat Dunmore	Associate Board Member	Stakeholder Reference Group	• Health Board (Member)
Helen Annandale	Associate Board Member (from November 2025)	Health Professionals' Forum	• Health Board (Member)
Andrew Jarrett	Associate Board Member (until April 2025)	Social Services	• Health Board (Member)

Andrew Griffiths	Associate Board Member (until October 2025)	Health Professionals' Forum	• Health Board (Member)
Judith Vincent	Associate Board Member (until October 2025)	Health Professionals' Forum	• Health Board (Member)

Executive Directors				
Name	**Position**	**Area of Expertise Representation Role**	**Board Committee Membership**	**Committee Roles**
Abigail Harris	Chief Executive	N/A	• Health Board (Member) • Remuneration and Terms of Service Committee (in attendance)	• NHS Wales Joint Commissioning Committee (NWJCC) (member)
Richard Evans	Executive Medical Director/Deputy Chief Executive	N/A	• Health Board (Member) • Digital Research and Innovation Committee Workforce and OD Committee Committee	

Darren Griffiths	Director of Finance and Performance (until Feb 2026)	N/A	• Health Board (Member) • Audit Committee (In attendance) • Charitable Funds (Lead Director/Member) • Performance and Finance (Lead Director)	
Elizabeth Rix	Director of Nursing	N/A	• Health Board (member) • Quality and Safety Committee • Charitable Funds Committee • Mental Health Legislation Committee • Workforce and OD Committee	
Deb Lewis	Chief Operating Officer/Director of Primary Care and Mental	N/A	• Health Board (member) • Performance and Finance (in attendance) • Mental Health Legislation Committee (in attendance)	

			• Quality and Safety Committee (in attendance)	
Christine Morrell	Director of Allied Health Professions and Health Science	N/A	• Health Board (Member) • Workforce and OD Committee (In Attendance)	
Gill Richardson	Interim Director of Public Health	N/A	• Health Board (Member) • Population Health Committee (in attendance)	
Sarah Jenkins	Interim Director of Workforce and OD (until April 2025)	N/A	• Health Board (Member) • Remuneration and Terms of Service Committee (Lead Director/In attendance) • Workforce, OD and Digital (Lead Director/In attendance)	• NHS Wales Shared Services Partnership Committee (NWSSP) Member
Tina Ricketts	Director of Workforce and OD (from April 2025)	N/A	• Health Board (Member) • Remuneration and Terms of Service Committee (Lead	• NHS Wales Shared Services Partnership Committee (NWSSP) Member

			Director/In attendance) • Workforce, OD and Digital (Lead Director/In attendance)	
Marie Davies	Director of Planning and Partnerships	N/A	• Health Board (Member) • Population Health Committee (in attendance) • Performance and Finance Committee (in attendance)	• Western Bay Partnership Board

Appendix Three – Members' Attendance at Meetings

On occasions where an Executive was unable to attend, a Deputy was sent to ensure representation. Where attendance is not required by a board member at a committee, this is represented by a dash (-)*

The dates of Board and committee meetings held during 2025-26 are available on our website here. Where meetings were not quorate, escalation arrangements were in place to ensure that any matters of significant concern that could not be brought to the attention of the committee could be raised with the Health Board Chair.

	SBUHB Board	Audit Committee	Charitable Funds Committe	Population Health Committe	Mental Health Legislatio	Performance and Finance	Quality and Safety	Remuneration & Terms of	Workforce and OD Committe	Digital, Data, Research &
	6	**6**	**3**	**4**	**4**	**12**	**6**	**5**	**6**	**5**
Jan Williams, Chair	6		-	-		1	-	2	-	-
Steve Spill, Vice-Chair	6	4	4	4	4	11	2	5	1	-
Jackie Davies, Independent Member (until August 25)	2	-	2	-	1	-	-	1	3	-
Martin Lloyd, Independent member (from Sept 25)	2	-	2	-	1	-	2	2	2	-
Keith Lloyd, Independent Member (until Dec 25)	4	-	-	-	-	-	4	2	-	2
Charlotte Rees (from Feb 26)	1	-	-	-	-	-	-	0	-	1
Anne-Louise Ferguson, Independent Member	6	-	-	-	4	5	4	5	4	-

Nuria Zolle, Independent Member	5	6	-	3	-	-	-	5	-	4
Reena Owen, Independent Member	6	-	-	3	-	11	-	2	6	-
Jean Church, Independent Member	6	-	1	-	-	10	6	4	1	3
Patricia Price, Independent Member	4	6	-	-	4	12	-	4	-	-
Nicola Matthews, Independent Member	6		4	4	-	-	6	3	-	-
Andrew Griffiths, Independent Member	6	5	-	-	-	-	-	2	5	5
Andrew Griffiths, Associate Board Member (until Oct 25)	0	-	-	-	-	-	-	-	-	-
Judith Vincent, Associate Board Member (until Oct 25)	0	-	-	-	-	-	-	-	-	-
Andrew Jarrett, Associate Board Member (until Apr 25)	0	-	-	-	-	-	-	-	-	-
Alun Llewelyn, Associate Board Member (from Feb 26)	1	-	-	-	-	-	-	-	-	-
Pat Dunmore, Associate Board Member (from Apr 25)	6	-	-	-	-	-	-	-	-	-
Helen Annandale, Associate Board Member (from Nov 25)	1	-	-	-	-	-	-	-	-	-

	SBUHB Board	Audit Committee	Charitable Funds Committee	Population Health Committee	Mental Health Legislatio	Performance -and Finance -	Quality and Safety Committee	Remuneration and Terms of	Workforce and OD Committee	Digital, Data, Research &
	6	**6**	**3**	**4**	**4**	**12**	**6**	**5**	**6**	**5**
Abigail Harris, Chief Executive	6	-	-	-	-	-	-	5	-	-
Richard Evans, Executive Medical Director	5	-	-	-	-	-	4	-	6	3
Christine Morrell, Executive Director of Allied Health Professions and Health Science	3	-	-	-	-	-	-	-	1	-
Elizabeth Rix, Executive Director of Nursing	5	-	1	-	2	1	3	-	4	-
Darren Griffiths, Director of Finance and Performance (until Feb 26)	5	5	3	-	-	9	2	-	-	-
Sarah Jenkins, Interim Director of Workforce and OD (until Apr 25)	0	-	-	-	-	-	-	-	2	-
Tina Ricketts, Director of Workforce and OD (from Apr 25)	5	-	-	-	-	-	-	4	6	-
Gill Richardson, Interim Director of Public Health	5	-	-	4	-	1	-	-	-	-
Marie Davies, Director of Planning and Partnerships	6	-	-	0	-	4	-	-	-	-

Deb Lewis, Chief Operating Officer and Director of Primary Care and Mental Health	5	1	-	-	2	9	3	-	-	-
Claire Osmundsen-Little, Interim Director of Finance (from March 26)	1	-	1	-	-	1	-	-	-	-

Appendix Four
Topics Considered by Board and Committees

SBUHB Board
1 May 2025 (Special) • Annual Plan 2025/26 – Financial Plan • Mental Health and Learning Disabilities Report • Maternity and Neonatal Services Update **30 May 2025** • Patient story - Child Suffering Burns • Chief Executive's Report • Chair's Report • Committees 3A Key Issues reports • Corporate Governance Report • Performance report • Finance report • Advisory Groups summary reports • Planning and Partnerships (incl Annual Plan quarterly updates) • Maternity and Neonatal Services Update • Strategic Equality Plan – 'We All Belong' • Research Development and Innovation Bridging Strategy • Dental Services • Staff Survey • Nurse Staffing Levels (Wales) Act 2016 • Performance and Assurance Framework **25 June 2025 (Final Accounts)** • Annual Accounts 2024-25 (approval) • ISA 260 Audit of Financial Statements • Letter of Representation • Head of Internal Audit's Opinion • Annual Report 2024/25 (approval) • Mental Health and Learning Disabilities Report **15 July 2025 (Special)** • Maternity & Neonatal External Review Report **31 July 2025** • Patient story - Health visiting and Flying Start • Chief Executive's Report • Chair's Report • Committees 3A Key Issues reports • Corporate Governance Report • Performance report (incl Unscheduled Care Test of Change)

- Finance report
- Advisory Groups summary reports
- Planning and Partnerships (incl 2024/25 Emergency Planning Resilience and Response Annual Report)
- Risk Report
- Screening Services Report
- Strategic Equality Plan
- Dan Y Deri Development
- General Medical Services
- 5th LINAC Report
- Mental Health Report (inc. assurance assessment from NHS Exec)
- Insourcing of First Outpatient Appointments - South Wales

11 September 2025 (Special)

- Annual Plan - Finance update

25 September 2025

- Patient story - Palliative care
- Chief Executive's Report
- Chair's Report
- Committees 3A Key Issues reports
- Corporate Governance Report
- Performance report
- Finance report
- Advisory Groups summary reports
- Planning and Partnerships (incl Annual Plan quarterly updates)
- Perinatal Services Update
- Service Change Considerations: Gorseinon Hospital
- Winter Plan 2025-26
- Community Pharmacy
- Regional Pathology
- Taith Newydd – Capital Case
- Staff Health & Wellbeing Update - Supporting Managing Attendance at Work

23 October 2025 (Special)

- Healthcare Workers betrayed – Swansea Bay Health Board honour your promise
- Band 2/3 Healthcare Support Workers Report

27 November 2025

- Patient story – Trauma Stabilisation group
- Chief Executive's Report
- Chair's Report
- Committees 3A Key Issues reports
- Corporate Governance Report (incl Review of Standing Orders)

- Performance report
- Finance report
- Advisory Groups summary reports
- Planning and Partnerships (incl Annual Plan quarterly updates)
- Perinatal Services Update (incl Oversight Panel report)
- Risk Report
- Mental Health Transformation Programme (incl Estate/Capital Implications)
- Optometry
- Capital and Estates Update
- Organised for Success Programme Update
- Nurse Staffing Levels (Wales) Act 2016
- Healthcare Inspectorate Wales Annual Report 2024-25
- Public Service Ombudsman Report and Annual Letter

16 December 2025 (Special)

- 2025/26 Plan and Updated Financial Assessment

29 January 2026

- Patient story – Maternity (triage)
- Chief Executive's Report
- Chair's Report
- Committees 3A Key Issues reports
- Corporate Governance Report
- Performance report
- Finance report
- Advisory Groups summary reports
- Planning and Partnerships (incl Annual Plan quarterly updates)
- Perinatal Services Update (incl Improvement Plan)
- Risk Report
- Organised for Success
- Audit Wales' Annual Audit Summary
- SBUHB Structured Assessment 2025

17 February 2026 (Special)

- Regional Cellular Pathology Programme
- Pathology Memorandum of Understanding

26 February 2026 (Special)

- Service Considerations: Gorseinon Hospital

26 March 2026

- Staff story – Managing Ward absence
- Chief Executive's Report
- Chair's Report

- Committees 3A Key Issues reports
- Corporate Governance Report (incl Standing Orders approval)
- Performance report
- Finance report
- Advisory Groups summary reports
- Planning and Partnerships (incl Annual Plan quarterly updates)
- Perinatal Services Update (incl Oversight Panel report)
- Population Health Annual Report
- Annual Plan 2026-27 (approval)
- Mental Health Report: Update on transformation programme
- Education Commissioning Process for 2027-28
- Public Affairs Strategy
- Caswell Clinic – Capital Case

Quality and Safety Committee

April - Workshop

15 May 2025

- Patient Story: Neath Port Talbot Hospital/ Singleton Hospital
- Service Group Highlight Report
- Maternity Gold Command report
- Tackling Diabetes Together progress report
- Stroke Performance Update including the comparative work regarding the ring-fencing of stroke unit beds to the Quality and Safety Committee for an upcoming deep dive
- Death Certification Reform report
- Health and Safety Report
- Maternity Update to include Progress against the actions required in response to the HIW review of maternity services
- Health Board Risk Register
- Quality and Safety Performance report
- Executive Summary of the Quality and Safety of Patient Services Group

3 July 2025

- Committee Self-Assessment
- Quality and Safety Group Executive Summary
- Quality and Safety Performance Report, to include an update on the Endoscopy Performance issues and a report on Clinically Optimised Patients
- External Inspections
- Update on the Perinatal Committee
- Infection, Prevention Control report
- Maternity Gold Command Close Down report

- Health and Safety Report, to include A positioning report on violence and aggression across the organisation
- Health Board Risk Register
- Joint Commissioning Committee Quality Safety and Outcomes Sub-Committee highlight report
- Planned Care report

11 September 2025

- Quality and Safety Group Executive Summary; Including the Duty of Quality Annual Report
- Quality and Safety Performance Report
- Patient Experience update
- Controlled Drugs Governance and Assurance Progress
- Stroke Performance
- Deep Dive report on the Nutrition and Hydration Quality Priority
- Clinical Outcomes and Effectiveness
- Organ Donation Report
- Health and Safety Report
- Health Board Risk Register
- Joint Commissioning Committee Quality Safety and Outcomes Sub-Committee highlight report
- Consider the content of the Welsh Language Annual report and approve it for escalation to the Health Board.

6 November 2026

- Committee Self-Assessment report
- Quality and Safety Group Executive Summary including the Quality Priorities Highlight Report
- Quality and Safety Performance Report including an Update on Falls/ Prevention Deconditioning, Complaints performance reduction and plan to improve performance and Patient Experience and how are poor scoring areas escalated and managed
- Clinically Optimised Patients update
- External Inspections report
- Children Community Nursing report
- Progress against Right Care, Right Person report
- Mental Health Quality and Safety Workstream report
- Gorseinon update
- Infection Prevention Control to include a review on Increase in C diff rates in August and Referral from P&FC – Concern lack of progress
- Board Engagement Visits update
- Health Board Risk Register
- Public Service Ombudsman Annual Letter
- NHS Wales Individual Patient Funding Request Process (IPFR) Policy

- The Audit Committee referred a Limited Assurance report in relation to equality the Quality and Safety Committee; Findings to be discussed in more detail

8 January 2026

- Quality and Safety Group report; October 2025 and November 2025
- Perinatal Committee report
- Mental Health Transformation Programme
- Governance Structure covering the oversight and risk assessment process for Your Next Patient, Bed closure and Clinically Optimised Patients reduction plan
- Patient Story: Primary Care and Community Services
- Health and Safety Deep Dive including Estates and Capital
- Performance and Finance Committee to the Quality and Safety Committee: The decline in 30-day complaint turnaround performance and the escalation process for poor Friends and Family feedback
- Audit Committee to the Quality and Safety Committee: The finding regarding the lack of clinical engagement in the Theatre Quality and Safety Standards framework, together with the associated quality and safety concern of eight never events over two years
- Workforce and OD Committee to the Quality and Safety Committee: Minor Injuries Unit (MIU) report on staff feeling unsafe, security and overall patient safety to the Quality and Safety Committee for oversight and follow-up on patient safety concerns
- Workforce and OD Committee to Quality and Safety Committee: Gorseinon Staffing Update paper, there were concerns raised regarding patient safety and quality care audits following the wards transfer to Singleton Hospital.
- Patient Experience and Concerns Management

5 February 2026

- Committee Self-Assessment
- Tackling Diabetes Together
- Patient Story
- Perinatal Committee Report
- Highlight report: Prevention of Suicide
- Health Board Risk Register
- External Inspections Report
- Terms of Reference
- Quality and Safety Performance Report
- Patient Experience

- Organ Donation Committee 6 Month report
- A review of the 'Your Next Patient' policy in practice
- Audit Committee to the Quality and Safety Committee: The finding regarding the lack of clinical engagement in the Theatre Quality and Safety Standards framework, together with the associated quality and safety concern of eight never events over two years
- Joint Commissioning Committee Quality Safety and Outcomes Sub-Committee highlight report

Workforce and Organisational Development (OD) Committee

10 April 2025

- Workforce Metrics and Key Performance Indicators
- Workforce Recruitment and Retention
- Workforce Delivery Group report
- Medical Workforce Group update report
- Health Board's Workforce Planning
- Staff Story: Neurodiversity in the Workplace
- Supporting Attendance at Work and Reducing Sickness Absence – Mental Health and Learning Disabilities
- A verbal update on actions plans and timescales arising from the 2024 staff survey – Mental Health and Learning Disabilities
- Sickness Action Plan report
- Nursing and midwifery board update report
- Risk Register
- Workforce Improvement Plan for Maternity report
- A PowerPoint Presentation on Therapies & Audiology Workforce Planning
- Management of Professional Concerns report
- A revised action plan and the risks associated with the limited assurance internal audit report on Speaking Up Safely report
- Audit Wales Report on Workforce Challenges

12 June 2025

- Workforce Metrics and key performance indicators to include: An update on progress of the Healthy People Forum
- Workforce Delivery Group report
- Medical Workforce Group update report
- Therapies and Health Science Group report
- Staff Story: Estates

- Supporting attendance at work and reducing sickness absence: Primary, Community and Therapies Services
- An update on actions plans and timescales arising from the 2024 staff survey; Neath Port Talbot/Singleton and Primary, Community and Therapies Service Group
- A verbal update on the review of roster effectiveness and to address: The high levels of staff unavailability & Improving roster management
- Staff influenza vaccine uptake issues report
- Health Education and Improvement Wales Review, job planning, recruitment and performance in Obstetrics and Gynaecology
- Medical Workforce Efficiencies report
- The process for supporting overseas nurses report

1 July 2025 (Special)

- Health Care Support Workers - Band 2/3 Banding Issues report

14 August 2025

- Workforce Metrics and key performance indicators to include: PADR Compliance
- Workforce Delivery Group report
- Medical Workforce Group update report
- Therapies and Health Science Group report
- Workforce Recruitment and Retention to include: The retire and return position statement
- Staff Story: Internationally Recruited Nurse
- Service Group Assurance report on Sickness Absence Management including quantifiable benefits and the impact of a dedicated sickness absence management post: Morriston Service Group
- An update on actions plans and timescales arising from the 2024 staff survey; Morriston Service Group
- Speaking Up Safely and the Guardian Service End of Year report
- Job planning progress report
- Workforce and OD Risk Register and the Board Assurance Framework
- Staff health and wellbeing update report
- Human Resource Policy Compliance review including audits of key processes and overpayment/debt recovery procedures
- Leadership and management development report
- Revised Committee Work Programme

2 October 2025

- Medical Workforce Group report
- Therapies and Health Science Group report
- Director of Workforce and OD report
- Health Board strategic workforce plan overview and progress updates report
- Sickness absence action plan for Primary, Community and Therapies Services
- Strategic Risk Register
- Variable Pay Plan overview and progress report
- Effective Rostering of Nursing Workforce
- HEIW Quality Assurance Report and Action Plan for General Internal Medicine (GIM) and Gastroenterology
- Maternity staffing; Management of Sickness Absence update report
- Workforce Delivery Group report – terms of reference
- Risk Register
- Update on training provided to staff on Infection Control
- Workforce risks and issues affecting the Neath Port Talbot/Singleton Service Group overview report
- People Strategy report
- Digitally Ready Workforce
- Theatre Performance and Sickness Management

11 December 2025

- Therapies and Health Science Group report
- Nursing and Midwifery Board report
- Director of Workforce and OD Report
- Health Board strategic workforce plan overview and progress updates report
- Staff Story: Minor Injury Unit (MIU)
- Overview report of workforce risks and issues affecting the Mental Health and Learning Disabilities
- Strategic Risk Register including a referral from Audit Committee – Operational Risk: Workforce Shortages
- Variable Pay Plan overview and progress report
- Staff vaccination rates
- HEIW visit report for Obstetrics and Gynaecology report
- Annual Nurse Staffing Levels (Wales) Act 2016 report
- Gorseinon Staffing Issues update

23 February 2026

- Therapies and Health Science Group report
- Medical Workforce Group report
- Director of Workforce and OD Report
- Health Board strategic workforce plan overview and progress updates report
- Variable, pay plan overview and progress updates
- Staff Story: Community Nursing
- Overview report of workforce risks and issues affecting the Primary, Community and Therapies Service Group
- Strategic Risk Register
- People Strategy Progress
- Organise for Success progress update
- Digitally ready workforce report
- Speaking Up Safely
- Corporate Workforce and OD Risk Register
- Maternity staffing update
- A consultant job planning report, including an update on actions to address limited assurance audit report
- Committee Terms of Reference
- Committee Self-Assessment

Population Health and Partnership Committee

5 June 2025

- Risk Register
- Staff Flu Vaccination update report
- Flu Vaccination for the population
- Public Health approach to Primary Care
- Staff Story: Partnership working with trusted community voices
- Internal audit reports: Response to limited assurance report on Public Health Strategy
- Screening Uptake in Swansea Bay
- Earthing the Population Health Strategy drivers for change report

9 September 2025

- Service Delivery Group (SDG) – Population Health Indicators
- Staff Story: Developing the Maternity Dashboard
- Partnership work – summary of key points report
- Cancer mortality PowerPoint
- Performance of the implementation of the Vaccine Equity Plan (VEP) report
- All-Wales Diabetes Prevention Programme report

- Food in hospitals
- Pharmacy paper in preparation for 25 September Board
- Botulinum toxin in cosmetic BoTox
- Measles briefing UKHSA 25 July report
- Child Consumption Risks: Glycerol in Slushies report

4 December 2025

- Service Delivery Group – Population Health Indicators
- Annual Health Protection Partnership Plan
- Regional Whole Systems Approach to healthy weight – progress update
- Internal audit report on the vaccine equity strategy
- Wider Partnership Update (PSBs, RPB, APB) report
- Committee Terms of Reference
- Clinical Services Plan report
- Lung cancer screening report
- Inequalities in premature mortality from cardiovascular disease report
- Smoking cessation and service fragility
- Child Measurement Programme Wales update report
- Hepatitis B and C elimination plan
- SBUHB return on Minimum Alcohol Pricing Consultation
- Public Health Wales Briefing: Counterfeit Rabies Vaccine in India
- Supplementary Service for People living with severe frailty in their own homes

3 March 2026

- Early evaluation of the impact of maternal RSV vaccinations on infant respiratory hospitalisations and associated costs
- State of Population report
- Director of Public Health Annual report
- Designed to Smile Scheme
- Public health strategy update
- Verbal update on the Diabetes Prevention Programme (DPP)
- Public Health Function: Resourcing, Funding Stability, and Long-Term Viability
- Committee self-assessment
- Risk register

- Public Health Wales Briefing: Recent increases in Measles cases in England (including in regions bordering Wales), and other countries

Performance and Finance Committee

29 April 2025

- Month Twelve Financial Position
- Recovery and Sustainability Update
- Escalation and Oversight Report and Integrated Performance Report (IPR) – Month Twelve
- Risk Register (including Unscheduled Care key actions)
- Service Group Financial Position PowerPoint Presentation – Primary, Community and Therapies
- Discharge Planning Internal Audit Report
- Speech and Language Therapy Performance
- Capital and Estates Task and Finish Group – Update Minutes

27 May 2025

- Month One Financial Position
- Recovery and Sustainability Update
- Escalation and Oversight Report and Integrated Performance Report (IPR) – Month One
- Month One Financial Monitoring Return
- Performance and Assurance Framework Report
- Stroke Performance
- Clinically Optimised Patients Performance
- Quarter Four Continuing Healthcare Performance Report
- Quarter Four Annual Plan 2024/25
- Estates Update Report
- Quarterly Estates Strategy Report (including Cefn Coed Hospital location and decision)

24 June 2025

- Month Two Financial Position
- Recovery and Sustainability Update
- Escalation and Oversight Report and Integrated Performance Report (IPR) – Month Two
- Month Two Financial Monitoring Return
- Service Group Financial Position – Mental Health and Learning Disabilities

- Capital Resource Plan Report
- Dan y Deri Development Report
- Update on Demand and Capacity Modelling Outputs
- JCC Planning, Performance and Finance Sub-Committee Highlight Report

29 July 2025

- Month Three Financial Position
- Recovery and Sustainability Update
- Escalation Report and Integrated Performance Report – Month Three
- Risk Register
- Month Three Financial Monitoring Return
- Service Group Financial Position – Morriston Hospital
- Procurement Savings 2025 (SBUHB)
- Planned External Commissioning of:
- Insourcing Outpatient Activity
- Mobile Endoscopy Service
- Insourcing/Outsourcing Surgical and Diagnostic Activity
- Contract for Atrial Fibrillation Ablation (Cryoablation)
- Stroke Performance Update (including allocation, usage, and impact of funding)
- Medicines Management Performance Update
- Auditor General Report – Cancer Services in Wales
- Audit Wales Report – Urgent and Emergency Care and Hospital Flow
- Urgent and Emergency Care Report (D2RA impact, Navigation Hub, consultant model, Anglesey Ward test of change)
- Centralisation of Continuing Healthcare Update and Transformation Programme

26 August 2025

- Month Four Financial Position
- Recovery and Sustainability Update
- Escalation Report and Integrated Performance Report – Month Four
- Month Four Financial Monitoring Return
- Service Group Financial Position – Neath Port Talbot and Singleton
- Neurodevelopment Update (including Theatre Performance)
- Quarter One Continuing Healthcare Performance Report
- Acute Medical Services Redesign (AMSR) Report

- Limited Assurance Report – Business Continuity
- Neath Port Talbot PFI Report
- Contract Management
- Audit Wales Report – Planned Care and Organisational Response

8 September 2025 (Special)

- Update on the Health Board's Financial and Savings Plan

23 September 2025

- Month Five Financial Position
- Recovery and Sustainability Update
- Escalation Report and Integrated Performance Report – Month Five
- Month Five Financial Monitoring Return
- Service Group Financial Position – Primary, Community and Therapies (including Ty Olwen sickness absence and staffing)
- Taith Newydd Capital Case
- Cancer Care Performance
- Theatre Efficiency
- Endoscopy Performance
- Plans to Improve Out-of-Hours Provision in Urgent and Emergency Care

28 October 2025

- Month Six Financial Position
- Recovery and Sustainability Update
- Escalation Report and Integrated Performance Report – Month Six
- Risk Register
- Month Six Financial Monitoring Return
- Service Group Financial Position – Mental Health and Learning Disabilities
- Capital Resource Plan
- Getting It Right First Time (GIRFT) Review – Morriston Hospital
- Operational Estates Update Report

25 November 2025

- Month Seven Financial Position
- Recovery and Sustainability Update
- Escalation Report and Integrated Performance Report – Month Seven
- Month Seven Financial Monitoring Return

- Service Group Financial Position – Morriston
- Urgent and Emergency Care and Clinically Optimised Patients Update
- Quarter Two Continuing Healthcare Performance Report
- Centralisation of the CHC Commissioning Function

16 December 2025

- Month Eight Financial Position
- Recovery and Sustainability Update
- Escalation Report and Integrated Performance Report – Month Eight
- Service Group Financial Position – Neath Port Talbot and Singleton
- Cancer Care
- Mobile Endoscopy Unit
- Stroke Performance

27 January 2026

- Month Nine Financial Position
- Recovery and Sustainability Update
- Escalation Report and Integrated Performance Report – Month Nine
- Risk Register
- Month Nine Financial Monitoring Return
- Service Group Financial Position – Primary, Community and Therapies
- Theatre Performance
- Population Health Briefing
- Capital Resource Plan
- Capital and Estates Taskforce – Key Issues Report
- Committee Self-Assessment Report

24 February 2026

- Month Ten Financial Position
- Recovery and Sustainability Update
- Escalation Report and Integrated Performance Report – Month Ten
- Month ten Financial Monitoring Return
- Service Group Financial Position – Mental Health and Learning Disabilities
- Planned Care
- Draft 2026-27 Capital Resource Plan
- Women's health hub update

- Quarter three continuing healthcare performance report
- Medicine Management report
- Committee Terms of Reference
- NHS performance framework for 2026-27

24 March 2026

- Month Eleven Financial Position
- Recovery and Sustainability Update
- Escalation Report and Integrated Performance Report – Month Eleven
- Month eleven Financial Monitoring Return
- Service Group Financial Position – Morriston Hospital
- Cancer Care
- Caswell Seclusion Suite Business Case
- Draft financial plan
- Draft 2026/27 Annual Plan
- Implementation of Direct Payments for Continuing Healthcare

Mental Health Legislation Committee

6 May 2025

- Mental Health Act Monitoring Report to include Care and treatment plans
- To receive the Mental Capacity Act and Deprivation of Liberty Safeguards (DoLs) Monitoring Report to include; An update on Court of Protection Cases
- Mental Health Measure Monitoring Report
- Additional Learning Needs Act; Update against Action Plan (Internal Audit)
- Demo of the Mental Health Dashboard

5 August 2025

- Mental Health Act Monitoring Report to include Care and treatment plans
- Mental Capacity Act and Deprivation of Liberty Safeguards Monitoring Report
- Mental Health Measure Monitoring Report
- Committee Effectiveness Self-Assessment

4 November 2025

- Mental Health Act Monitoring Report
- Mental Capacity Act and Deprivation of Liberty Safeguards Monitoring Report

- Mental Health Measure Monitoring Report
- Additional Learning Needs Act: update against Action Plan (Internal Audit)

3 February 2026

- Committee Terms of Reference
- Committee Self-Assessment
- Mental Health Act Monitoring Report
- Mental Capacity Act and Deprivation of Liberty Safeguards Monitoring Report
- Additional Learning Needs Act; Update against Action Plan (Internal Audit)
- Health Inspectorate Wales (HIW) Mental Health Annual Report

Audit Committee

21 May 2025 (Part 1)

- Finance update
- Draft Annual Accounts
- Draft Remuneration and Staff report
- Draft Annual Report 2024-25
- Losses and Special payments
- NHS Wales Shared Services Partnership (NWSSP) Procurement single tender actions and quotations
- Analytical Review

22 May 2025 (Part 2)

- Health Board Risk Report
- Partnership Governance report
- Verbal update on Crisis Planning and Business Continuity to include Proposed Reporting Arrangements for EPRR
- South Wales Trauma Network Annual Report 2024/25
- Internal audit progress and Individual audit reports
- Draft Head of Internal Audit Opinion & Annual Report 2024/25
- Audit Wales performance and progress reports including; Urgent and Emergency Care; Flow out of Hospital and Discharge Planning and 'No time to Lose'
- Auditor General Report on Cancer Services in Wales
- Counter Fraud progress report

25 June 2025 (Approval of Accounts)

- Final Annual Accounts
- ISA 260 Audit of Financial Statements
- Letter of Representation

- Final Annual report, including Remuneration report

17 July 2025

- Strategic and Corporate Risk Registers
- Audit Tracker and Status of Recommendations
- Board Effectiveness Action Plan
- Committee Self-Assessment Report
- Internal Audit Progress and Individual Audit Reports
- Audit Wales Progress and Performance reports
- Finalised Planned Care Report
- Finance update
- Post Payment Verification End of Year Report
- Value for Money /Recovery and Sustainability Update
- Counter Fraud Progress Report
- Counter Fraud Steering Group Highlight Report

16 September 2025

- Risk Management Report
- Declarations of Interest and Hospitality register
- Standing Orders
- Audit Tracker and Status of Recommendations
- Partnership and Governance report
- Speaking up Safely Management response
- Internal Audit Progress and Individual Audit Reports
- Audit Wales Progress and Performance reports
- Performance and Progress Reports
- Annual report
- Finance update
- Loses and Special Payments
- Financial Control Procedure 15 (FCP 15)
- Counter Fraud Progress Report

20 November 2025

- Strategic Risk Report
- Audit (Internal and Audit Wales) Management Protocol
- Corporate Governance Policies Update, Claims Management Policy and Standards of Business Conduct Policy
- Internal Audit Progress and Individual Audit Reports
- Audit Wales Progress and Performance reports
- Structured Assessment Report
- Audit Wales Unscheduled Care Report
- Audit Wales National Fraud Initiative (NFI) Briefing
- Finance Update
- Financial Control Procedure
- Value for Money / Recovery and Sustainability
- Procurement Report

- Counter Fraud Progress Report
- Emergency Medical Retrieval and Transfer Service (EMRTS) Annual Report
- Spinal Services Operational Delivery Network (ODN) Annual Report

15 January 2026

- Strategic Risk Report
- Audit tracker and Status Recommendations
- Partnership Governance Tracker
- Internal Audit Progress and Individual Audit Reports
- Audit Wales Progress and Performance reports
- Structured Assessment 2025
- Finance Update
- Annual Accounts Update and Closure Plan 2025/26
- Neonatal Annual Report

12 March 2026

- Strategic Risk Report
- Full Standing Order Review
- Compliance with Governance Code
- Review and approve the 2026/27 Internal Audit Plan
- Progress reports
- Risk Management and Assurance
- Budget Setting
- Internal Audit Progress and Individual Audit Reports
- Audit Wales Progress and Performance reports
- Quality Governance follow up report
- Final Management Response
- Audit Plan
- Annual Accounts update
- NHS Wales Shared Services Partnership: Procurement Single Tender Actions and Quotations
- Write Off a Bad Debt
- Update on Value for Money / Recovery and Sustainability
- Counter Fraud update

Charitable Funds Committee

15 April 2025

- Investment manager update
- Charity Strategy
- Charitable Funds Finance update
- Financial Control Procedure Report
- Report on Unrealised Gains
- To ratify a New Charitable Fund and Reopen a Closed Fund

- Charity Team Update
- Committee Terms of Reference
- Committee Self-Assessment Report
- Advancing Radiotherapy Cymru (ARC) Academy

19 June 2025

- Investment Manager Update (including investment portfolio)
- Charitable Funds Finance update
- Ratify a New Charitable Fund and Reopen a Closed Fund
- Charity Team Update
- Financial plan, including the top-slicing discussion and alignment with the Charity Strategy
- Staff employed by charitable funds report

16 October 2025

- Staff/patient story: Cwtsh Clos Appeal – transformation and benefit
- Charity Team Update
- Investment manager update
- Charitable Funds Finance update
- Ratify New Charitable Funds and Reopen a Closed Fund
- Unrealised gains report
- Ratify the investment strategy report
- Committee Self-Assessment report
- Terms of Reference
- Christmas Festivities at Glanrhyd Hospital report

13 January 2026 (Approval of Accounts)

- Audit Wales Audit Plan 2025
- Approve the 2024–25 Annual Accounts
- Charity Annual Report 2024–25
- Approve the Audit Wales ISA260 Report
- Committee Terms of Reference

16 January 2026 (Trustees)

- Audit Wales Audit Plan 2025
- Approve the 2025–26 Annual Accounts
- Charity Annual Report 2024–25
- Approve the Audit Wales ISA260 Report
- Committee Terms of Reference

17 March 2026

- Staff/patient story: Why Cwtsh Natur is important for Childrens Mental Health' – Story from Breiallen
- Charity Team Update
- Investment manager update
- Charitable Funds Finance update
- Approve an agreement in Principle for NHSCT Membership
- Ratify two new charitable funds
- Review and approve legacy plans over £30k
- Staff funding costs out of Charitable Funds
- Expenditure bid (~£52k) with income received
- Credit card policy

Digital, Data, Research and Innovation Committee

13 May 2025

- Financial Management report
- Clinical Coding report
- Records Management: Renewal of Policies, Subject Access Risk and Non-Acute Records report
- Operating Performance report
- Key Issues report from the Information Governance Group
- Business Intelligence and Analytics report including: The progress of developing data literacy across the organisation
- Digital Strategy update
- Integrated Medium-Term Plan (IMTP) progress update
- Self-Assessment against the NHS Wales Research and Development framework
- Approve the Work Programme for 2025/2026
- Committee Effectiveness Self-Assessment

10 July 2025

- Committee Risk Register
- Business Intelligence report
- Financial Management report
- Digitisation of Eye Care Services report
- Clinical Coding and Digital Maternity update
- Records Management report and Subject Access Request
- Research and Development (R&D) Annual Report 2024/25

- Operating Performance report
- Business Intelligence and Analytics update, including: The digital intelligence strategic plan
- Digital Strategy and Plan update
- Information Governance & Cyber Security Assurance Group (IGCAG) report
- Work Programme for 2025-2026

18 September 2025 – Cancelled

2 October 2025 – Briefing Session

13 November 2025

- Committee Risk Register
- Financial Management Report
- Information Governance and Cyber Assurance Group (IGCAG) update
- Research and Development Governance Group Report including regional arrangements
- NHS Wales App plan update
- Operational Performance update
- Business Intelligence and Analytics update including Dashboards, Usage Statistics
- Digital Strategy and Plan update
- Work- programme for 2025/26

22 January 2026

- Committee Risk Register
- Financial Management Report
- Research and Development Activity Report
- Exploring Digital Ageism
- Voluntary Scheme for Branded Medicines Pricing and Access (VPAG) update
- Operational Performance update
- Business Intelligence and Analytics
- Clinical Coding Report
- Governance Approach to Artificial Intelligence (AI)
- Digital Strategy and Plan update: Focus on Quarter 4 Challenge, Risk Mitigation
- Update against the Integrated Medium-Term Plan (IMTP) Digital Planning 26/27
- A Digitally Ready Workforce
- Work- programme for 2025/26

5 March 2026

- Digital Frailty Screening

- Regional Oncology Review
- Committee Risk Register
- Information Governance & Cyber Security Assurance Group (IGCAG) report
- Research and Development Governance Group Report
- Health and Care Research Wales (HCRW) Self-Assessment Submission
- Operational Performance update
- Business Intelligence and Analytics
- Clinical Coding Report
- Digital delivery against the digital plan for 25/26 and digital strategy
- Update against the Integrated Medium-Term Plan (IMTP) Digital Planning 26/27

Appendix 5

Ministerial Directions

WHC Number and Title	Date Received	Month Reported to Board
WHC (2025) 002 -Timelines and Responsibilities for the Implementation of Early Warning Scores (EWS) to identify Acute Deterioration	27.02.2025	March 2025
WHC (2025) 001 NHS Wales Sustainability Conference and Awards 2025	05.03.2025	March 2025
WHC (2025)007 Amendments to Model Standing orders for LHBs, Trusts and SHAs January 2025	06.03.2025	March 2025
WHC (2025)005 - Climate Emergency Spread & Scale Leadership Day & Adaptation	07.03.2025	March 2025
WHC (2025)010 Arrangements for the prescribing of antiviral and neutralising monoclonal antibody treatments for COVID-19.	11.04.2025	May 2025
WHC (2025)011 Information Governance / Information Technology	11.04.2025	May 2025
WHC (2025)004 NHS Wales National Clinical Audit and Outcome Review Plan Annual Rolling Programme for 2025/26	15.04.2025	May 2025
WHC (2025) 016 Update on NHS Wales vaccination programme against respiratory syncytial virus (RSV)	06.05.2025	May 2025
WHC (2025) 006 Recording of Mental Health Outcome Measures	06.05.2025	May 2025
WHC (2025) 017 Tranexamic Acid use: Recommendation 7a of the Infected Blood Inquiry (IBI)	06.05.2025	May 2025
WHC (2025) 018 Tirzepatide (Monjouro®) for the management of obesity and overweight	09.05.2025	May 2025
WHC (2025) 019	12.05.2025	May 2025

Changes to the routine childhood vaccination schedule and to the selective hepatitis B vaccination programme from 01 July 2025		
WHC (2025)012 Interim Amendments to the Model Standing Financial Instructions Chapter 11 for Local Health Boards and NHS Trusts in Wales, and Chapter 12 for Health Education and Improvement Wales (HEIW) and Digital Health and Care Wales (DHCW)	29.05.25	July 2025
WHC (2025) 021 Introduction of routine vaccination programmes for the prevention of mpox and gonorrhoea	03.06.2025	July 2025
WHC (2025) 020 The National Influenza Immunisation Programme 2025-26	09.06.2025	July 2025
WHC (2025) 023 PPE stockpile volumes in Wales	13.06.2025	July 2025
WHC (2025) 008 Introduction of a National Mandatory Licensing Scheme for Special Procedures in Wales	26.06.2025	July 2025
WHC (2025) 006 Recording of Mental Health Outcome Measures	27.06.2025	July 2025
WHC (2025) 022 The National COVID-19 Vaccination Programme Autumn 2025	26.06.25	July 2025
WHC (2025)028 - Expansion of the shingles immunisation programme for severely immunosuppressed individuals aged 18-49	11.07.25	July 2025
WHC (2025)029 - Introduction of Nirsevimab passive immunisation against Respiratory Syncytial Virus (RSV) in at risk infants for upcoming 2025/26 RSV Season	15.07.25	July 2025
WHC (2025) 027 Changes to supply of Gluten Free Foods in Wales; All-Wales Gluten Free Subsidy Card Scheme	17.07.2025	July 2025

WHC/2025/026 The safe and responsible adoption of ambient voice technologies ('AI Scribes') in clinical and practice settings	04.08.2025	September 2025
WHC/024/032 Respiratory Syncytial Virus (RSV) 2025: Amendment to	18.08.2025	September 2025
The National Supplementary Service Specification for the Childhood Vaccination Programme 2025 - 2026	28.08.2025	September 2025
WHC/2025/038 All-Wales NHS Accessible Communication and Information Standards	22.08.2025	November 2025
WHC/2025/037 Infected Blood Inquiry: Implementation of Recommendation 7e: Implementing SHOT reports	25.09.2025	November 2025
WHC/2025/034 Phase 1 Planned Care Referrals DSCN	25.09.2025	November 2025
WHC/2025/031 3Ps Waiting Well single point of contact (SPOC) activity and outcomes data reporting	26.09.2025	November 2025
WHC/2025/051 Safety netting discharge leaflets for adults and children	09.12.2025	January 2026
WHC/2025/053 Expansion of RSV Vaccine Eligibility to Adults aged 80+	03.02.2026	March 2026
WHC/2026/02 – Planned Care Activity DSCN	04.03.2026	March 2026
WHC/2026/008 - NHS Research and Development Finance Policy 2026	12.03.2026	March 2026

Staff and Remuneration Report 2025-26

❖ Pre-Employment

Swansea Bay University Health Board is a disability confident employer. This means that we support and encourage applications from a wide range of individuals including those who are disabled. The following provisions are built into the recruitment process for applicants with a disability:

- Option to receive an electronic or paper application upon request;
- Guidance for applicants with a disability included in the applicant guide, which is attached to all adverts;
- As a disability confident employer, applicants with a disability can request a guaranteed interview. (Applicants must meet the minimum essential criteria listed in the person specification to qualify for a guaranteed interview);
- Applications are anonymised during shortlisting, with a two-tick symbol visible if the applicant has requested a guaranteed interview;
- Applicant are asked in the interview invite if they require any reasonable adjustments prior to or during the interview and the recruitment system emails any requested adjustments requested to the manager for their consideration/action;
- Equal opportunities monitoring information is provided to the recruiting manager at any time;
- Equality Act, unconscious bias and disability confident training is part of the recruitment module in the managers' pathway;
- The above subjects are also included in the recruiting managers recruitment and selection e-learning available in ESR (electronic staff record).

❖ Managing Attendance

The Managing Attendance at Work Policy addresses the needs of staff with disabilities in a number of ways. The purpose of the Policy is to support the health and wellbeing of all employees in the workplace, support employees to return to work following a period of sickness absence safely and as quickly as possible and support employees to sustain their attendance at work.

The Policy ensures that all employees are treated according to their circumstances and needs, that there is fair treatment of employees with a disability, and that the obligations in respect of the Equality Act 2010 are met. The Health Board is under a legal duty to make reasonable adjustments to ensure employees with disabilities are not put at a disadvantage when doing their jobs. This also applies to job applicants (see above).

Throughout the Policy there are considerations in place for those staff who are, or who become disabled during the course of their employment:

- Where an employee is required to attend medical appointments as part of an ongoing treatment programme related to a disability or long-term health condition, their manager will discuss these appointments with them to plan any necessary support to be offered. Reasonable time off to attend such appointments as part of their programme of care and support will be given full consideration. This is regarded as disability / health and wellbeing condition leave and is not disability related sickness absence. It is a form of special leave and will usually be requested by the employee and approved by the manager in advance;
- Employees with hearing impairment are able to use a text phone to notify their manager of their absence;
- At every stage of the absence management process, managers will consider what reasonable adjustments may be required to support the disabled employee in attending work regularly;
- The same will apply when supporting a disabled employee to return to work after a period of long-term sickness;
- Where an employee has become disabled as a result of illness or injury, a therapeutic return may be used to support the employee to get back into the workplace with reasonable adjustments in place;
- A phased return to work may also be considered in supporting an employee back into work;
- Reasonable adjustments may also be put into place proactively to support a disabled employee to stay in work rather than go off sick, as it is recognised that remaining in work is beneficial for the health and wellbeing of staff.

❖ Redeployment Policy

Where it is not possible for an employee to return to work to their own role even with reasonable adjustments, then they will be placed on the redeployment register for a period of 12 weeks, during which time suitable alternative employment will be sought.

When considering if a role is suitable, consideration will be given to any reasonable adjustments that may be required. Where the employee is on the redeployment register for ill health amounting to a disability, if they meet the essential criteria for the role, they will be interviewed before others on the redeployment register.

❖ Off Payroll Policy

The Health Board has a clear and well established process in place since 2017 for ensuring there are no off payroll payments made where the HMRC IR35 regulations apply to services provided by individuals. All

invoices are routed through senior workforce staff prior to payment through payroll ensuring the correct tax deduction is made and no invoices for services submitted by individuals can be paid through. IR35 assessment are managed through senior workforce staff and HMRC has reviewed arrangements in previous audits.

REMUNERATION AND STAFF REPORT

This report provides information in relation to Executive Directors' and Independent Members' remuneration and outlines the arrangements which operate within the Health Board to determine this. It also includes information on staff numbers, composition, sickness absence data, staff policies applied during the year, expenditure on consultancy, off-payroll engagements and exit packages.

1. The Remuneration and Terms of Services Committee

This Committee considers the remuneration and performance of Executive Directors in accordance with the policy detailed below.

The norm is for Executive Directors and very senior managers' salaries (those outside of Agenda for Change) to be uplifted in accordance with the Welsh Government identified normal pay inflation percentage. For 2025/26 there was a 3.25%% consolidated pay award for Executive Directors and very senior managers, and 3.6% for A4C pay award agreed nationally for NHS staff. Medical and Dental staff were awarded a 4% pay award for 2025/26. The pay award for Executive Directors and very senior managers was not notified until Feb 26. As a result, the real increases in pension values during the financial year are likely to be higher than reported in the tables in this report, as the estimates would have been submitted to the Pensions Agency prior to any backdating of pay uplifts occurred.

There was a late uplift for NHS Wales Public Appointees at board level of between 4.7 and 4.9%. As this was notified in April 2026, relevant costs have been accrued within the Annual Accounts statements, but are not due to be paid until financial year 2026/27. This adjusting Post balance sheet event has been disclosed in Note 29, Post Balance sheet events within the Annual Accounts for 2025/26.

If there were to be an up-lift over and above this level, this would always be agreed as a result of changes in roles and responsibilities. The Remuneration and Terms of Services Committee would receive a detailed report in respect of issues to be considered in relation to any uplift to Executive Directors salaries (including advice from the Welsh

Government) and having considered all the advice and issues put before them, would report their recommendations to the Health Board for ratification.

The Committee also reviews objectives set for Executive Directors and assesses performance against those. It should be noted that Executive Directors are not on any form of performance related pay.

The Remuneration and Terms of Services Committee is chaired by the Health Board's Chair, and the membership comprises all independent members. The Committee meets quarterly to address business and formally reports in writing its recommendations to the Health Board, with special meetings called to discuss urgent matters as required. Meetings are minuted and decisions fully recorded.

The Committee also recommends to the Board annual pay uplifts in respect of Executive Directors and very senior managers in the Health Board who are not within the remit of Agenda for Change. For 2025/26, the only uplift recommended was a pay uplift of 3.25%.

2. Independent Members' Remuneration

Remuneration for Independent Members is decided by the Welsh Government, who also determine tenure of appointment.

3. Single Remuneration Report

The Single Total Remuneration for each Director and Independent Member for 2025/26 and 2024/25 are shown in the table below. Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

The salaries disclosed in the tables below (Tables A & B) reflect new appointments and leavers during the financial years 2025/26 and 2024/25. Whilst the salaries disclosed relate to the period in post during the year unless specified

in the tables, the NHS Pensions Agency is unable to attribute part year pension benefits to post holders and therefore, the full financial year Pension Benefits are shown.

The value of pension benefits is calculated as follows: (real increase in pension[4] multiplied by 20) plus real increase in lump sum, less contributions made by the individual.

The pension calculation is based on information received from NHS BSA Pensions Agency included in the Disclosure of Senior Managers' Remuneration (Greenbury) 2022 report. Further details on the Single Total Remuneration and Salary allowances figure from Cabinet Office can be found at the Employer Pension Notices website: disclosure of salary pension and compensation information.

Table A – Single Remuneration Report 2025-26:

Names	Titles	2025/26						
		FTE	FTE Salary £5k Bands)	Salary (£5k Bands)	Other Remun. (£5k Bands)	Benefits in kind (to nearest £100)	Pension Benefits (£2.5k Bands)	Total (£5k Bands)
			£000	£000	£000	£	£000	£000
J Williams	Chair from Jun 24			65-70	0	0	0	**65-70**

[4] excluding increases due to inflation or any increase or decrease due to a transfer of pension rights

Names	Titles	2025/26						
		FTE	FTE Salary £5k Bands)	Salary (£5k Bands)	Other Remun. (£5k Bands)	Benefits in kind (to nearest £100)	Pension Benefits (£2.5k Bands)	Total (£5k Bands)
			£000	£000	£000	£	£000	£000
S Spill	Vice Chair			55-60	0	0	0	**55-60**
A Harris	Chief Executive from end Oct 24	1.00	235-240	235-240	0	0	402.5-405	**640-645**
R Evans	Interim Chief Executive from Sep 23 to end Oct 24, Medical Director and Deputy Chief Executive from Nov 24	1.00	220-225	220-225	0	0	2.5-5	**225-230**

Names	Titles	2025/26						
		FTE	FTE Salary £5k Bands)	Salary (£5k Bands)	Other Remun. (£5k Bands)	Benefits in kind (to nearest £100)	Pension Benefits (£2.5k Bands)	Total (£5k Bands)
			£000	£000	£000	£	£000	£000
D Griffiths	Director of Finance and Performance and Acting Deputy Chief Executive from Sep 23 to end Oct 24, Director of Finance and Performance from Nov 24. Leaver Feb 26	1.00	135-140	135-140	0	500	0*	**135-140**
C Osmundsen-Little	Interim Director of Finance from March 26	1.00	5-10	5-10	0	0	52.5-55	**60-65**

Names	Titles	2025/26						
		FTE	FTE Salary £5k Bands)	Salary (£5k Bands)	Other Remun. (£5k Bands)	Benefits in kind (to nearest £100)	Pension Benefits (£2.5k Bands)	Total (£5k Bands)
			£000	£000	£000	£	£000	£000
E Rix	Director of Nursing and Patient Experience	1.00	155-160	155-160	0	200	37.5-40	**195-200**
C Morrell	Director of Allied Health Professionals and Health Science	0.80	140-145	110-115	0	0	0	**110-115**
T Ricketts	Director of Workforce and OD from May 25	1.00	145-150	145-150	0	0	0*	145-150
G Richardson	Acting Director of Public Health from Apr 25	1.00	90-95	90-95	0	0	20-22.5	110-115

Names	Titles	2025/26						
		FTE	FTE Salary £5k Bands)	Salary (£5k Bands)	Other Remun. (£5k Bands)	Benefits in kind (to nearest £100)	Pension Benefits (£2.5k Bands)	Total (£5k Bands)
			£000	£000	£000	£	£000	£000
D Lewis	COO & Executive Director of Primary Care & Mental Health from	1.00	150-155	150-155	0	200	27.5-30	**180-185**
M Davies	Director of Planning & Partnerships from Feb 25	1.00	135-140	135-140	0	400	0*	**135-140**
S Jenkins	Interim Director of Workforce & OD to end	1.00	10-15	10-15	0	0	42.5-45	**55-60**
H Lloyd	Director of Corporate Governance / Board Secretary	1.00	115-120	115-120	0	0	45-47.5	**160-165**

Names	Titles	2025/26						
		FTE	FTE Salary £5k Bands)	Salary (£5k Bands)	Other Remun. (£5k Bands)	Benefits in kind (to nearest £100)	Pension Benefits (£2.5k Bands)	Total (£5k Bands)
			£000	£000	£000	£	£000	£000
P Price	Independent Member			15-20	0	0	0	**15-20**
R Owen	Independent Member			15-20	0	0	0	**15-20**
N Zolle	Independent Member			15-20	0	0	0	**15-20**
N Matthews	Independent Member			15-20	0	0	0	**15-20**
A Ferguson	Independent Member			15-20	0	0	0	**15-20**
J Church	Independent Member			15-20	0	0	0	**15-20**
A Griffiths	Independent Member			15-20	0	0	0	**15-20**

Names	Titles	2025/26						
		FTE	FTE Salary £5k Bands)	Salary (£5k Bands)	Other Remun. (£5k Bands)	Benefits in kind (to nearest £100)	Pension Benefits (£2.5k Bands)	Total (£5k Bands)
			£000	£000	£000	£	£000	£000
K Lloyd	Independent Member to Dec 25			0	0	0	0	**0**
C Rees-Sidhu	Independent Member from Feb 26			0	0	0	0	**0**
J Davies	Non Officer Member to Aug 25			0	0	0	0	**0**
M Lloyd	Non Officer Member from Sep 25			0	0	0	0	**0**
A Jarrett	Associate Board Member stood down Apr 25			0	0	0	0	**0**

Names	Titles	2025/26						
		FTE	FTE Salary £5k Bands)	Salary (£5k Bands)	Other Remun. (£5k Bands)	Benefits in kind (to nearest £100)	Pension Benefits (£2.5k Bands)	Total (£5k Bands)
			£000	£000	£000	£	£000	£000
J Vincent	Associate Board Member stood down Oct 25			0	0	0	0	**0**
A Llewellyn	Associate Board Member from Feb 26			0	0	0	0	**0**
P Dunmore	Associate Board Member from Apr 25			0	0	0	0	**0**
H Annandale	Associate Board Member from Nov 25			0	0	0	0	**0**

Names	Titles	2025/26						
		FTE	FTE Salary £5k Bands)	Salary (£5k Bands)	Other Remun. (£5k Bands)	Benefits in kind (to nearest £100)	Pension Benefits (£2.5k Bands)	Total (£5k Bands)
			£000	£000	£000	£	£000	£000
A Griffiths	Associate Board Member stood down Oct 25			0	0	0	0	**0**

Table B – Single Remuneration Report 2024-25

Names	Titles	2024/25						
		FTE	FTE Salary (£5k Bands)	Salary (£5k Bands)	Other Remun. (£5k Bands)	Benefits in Kind (to nearest £100)	Pension Benefits (£2.5k Bands)	Total (£5k Bands)
			£000	£000	£000	£	£000	£000
E Woollett	Chair to end May 24			10-15	0	0	0	**10-15**
J Williams	Chair from Jun 24			55-60	0	0	0	**55-60**
S Spill	Vice Chair			55-60	0	0	0	**55-60**
A Harris	Chief Executive from end Oct 24	1.00	95-100	95-100	0	0	277.5-280	**375-380**
R Evans	Interim Chief Executive from Sep 23 to end	1.00	220-225	220-225	0	0	107.5-110	**330-335**

Names	Titles	2024/25						
		FTE	FTE Salary (£5k Bands)	Salary (£5k Bands)	Other Remun. (£5k Bands)	Benefits in Kind (to nearest £100)	Pension Benefits (£2.5k Bands)	Total (£5k Bands)
			£000	£000	£000	£	£000	£000
	Oct 24, Medical Director and Deputy Chief Executive from Nov 24							
D Griffiths	Director of Finance and Performance and Acting Deputy Chief Executive from Sep 23 to end	1.00	160-165	160-165	0	400	90-92.5	**250-255**

Names	Titles	2024/25						
		FTE	FTE Salary (£5k Bands)	Salary (£5k Bands)	Other Remun. (£5k Bands)	Benefits in Kind (to nearest £100)	Pension Benefits (£2.5k Bands)	Total (£5k Bands)
			£000	£000	£000	£	£000	£000
	Oct 24, Director of Finance and Performance from Nov 24.							
A Mehta	Interim Medical Director from Sep 23 to end Oct 24, Deputy Medical Director from Nov 24 – part year salary	1.00	110-115	110-115	0	100	65-67.5	**175-180**

Names	Titles	2024/25						
		FTE	FTE Salary (£5k Bands)	Salary (£5k Bands)	Other Remun. (£5k Bands)	Benefits in Kind (to nearest £100)	Pension Benefits (£2.5k Bands)	Total (£5k Bands)
			£000	£000	£000	£	£000	£000
	costs included							
R Krishnan	Interim Medical Director from Sep 23 to end Oct 24, Deputy Medical Director from Nov 24 – part year salary costs included..	1.00	105-110	105-110	0	0	0*	**105-110**

Names	Titles	2024/25						
		FTE	FTE Salary (£5k Bands)	Salary (£5k Bands)	Other Remun. (£5k Bands)	Benefits in Kind (to nearest £100)	Pension Benefits (£2.5k Bands)	Total (£5k Bands)
			£000	£000	£000	£	£000	£000
G Howells	Director of Nursing (seconded from WG) to Aug 24	1.00	25-30	25-30	0	0	0	**25-30**
H Powell	Interim Director of Nursing & Patient Experience from Sep 24 (cost reflects part year salary and full year pension	1.00	90-95	90-95	0	0	427.5-430	**520-525**

Names	Titles	2024/25						
		FTE	FTE Salary (£5k Bands)	Salary (£5k Bands)	Other Remun. (£5k Bands)	Benefits in Kind (to nearest £100)	Pension Benefits (£2.5k Bands)	Total (£5k Bands)
			£000	£000	£000	£	£000	£000
C Morrell	Director of Allied Health Professionals and Health Science	0.80	135-140	110-115	0	0	0	**110-115**
S Jenkins	Interim Director of Workforce & OD	1.00	140-145	140-145	0	0	250-252.5	**390-395**
J Davies	Interim Director of Public Health from Apr	0.80	135-140	115-120	0	0	207.5-210	**325-330**

Names	Titles	2024/25						
		FTE	FTE Salary (£5k Bands)	Salary (£5k Bands)	Other Remun. (£5k Bands)	Benefits in Kind (to nearest £100)	Pension Benefits (£2.5k Bands)	Total (£5k Bands)
			£000	£000	£000	£	£000	£000
N Vaughan	Interim Director of Strategy to Feb 25 (salary to 17th Feb	1.00	95-100	95-100	0	0	0	**95-100**
D Lewis	COO & Executive Director of Primary Care & Mental	1.00	155-160	155-160	0	0	100-102.5	**255-260**
M Davies	Director of Planning & Partnershi	1.00	20-25	20-25	0	0	297.5-300	**320-325**
H Lloyd	Director of Corporate Governan	1.00	110-115	110-115	0	0	65-67.5	**175-180**

Names	Titles	2024/25						
		FTE	FTE Salary (£5k Bands)	Salary (£5k Bands)	Other Remun. (£5k Bands)	Benefits in Kind (to nearest £100)	Pension Benefits (£2.5k Bands)	Total (£5k Bands)
			£000	£000	£000	£	£000	£000
	ce / Board Secretary							
P Price	Independent Member			15-20	0	0	0	**15-20**
T Crick	Independent Member to Oct 24			5-10	0	0	0	**5-10**
R Owen	Independent Member			15-20	0	0	0	**15-20**
N Zolle	Independent Member			15-20	0	0	0	**15-20**

Names	Titles	2024/25						
		FTE	FTE Salary (£5k Bands)	Salary (£5k Bands)	Other Remun. (£5k Bands)	Benefits in Kind (to nearest £100)	Pension Benefits (£2.5k Bands)	Total (£5k Bands)
			£000	£000	£000	£	£000	£000
N Matthews	Independent Member			15-20	0	0	0	**15-20**
A Ferguson	Independent Member			15-20	0	0	0	**15-20**
J Church	Independent Member			15-20	0	0	0	**15-20**
A Griffiths	Independent Member from Jan 25			1-5	0	0	0	**1-5**
K Lloyd	Independent Member			0	0	0	0	**0**

Names	Titles	2024/25						
		FTE	FTE Salary (£5k Bands)	Salary (£5k Bands)	Other Remun. (£5k Bands)	Benefits in Kind (to nearest £100)	Pension Benefits (£2.5k Bands)	Total (£5k Bands)
			£000	£000	£000	£	£000	£000
J Davies	Independent Member			0	0	0	0	**0**
A Jarrett	Associate Board Member			0	0	0	0	**0**
J Vincent	Associate Board Member			0	0	0	0	**0**
A Griffiths	Associate Board Member			0	0	0	0	**0**

* This indicates that the pension benefits have been set to zero as the pension benefit calculation results in a negative figure. Where the calculation produces a negative figure the Greenbury Disclosure of Senior Managers Remuneration states that zero value should be disclosed.

C Morrell was not covered by the NHS Pension Arrangements in 2025/26. G Howells (to Aug 24), C Morrell and N Vaughan were not covered by the NHS Pension Arrangements in 2024/25.

The reason for the negative pension calculations for the 2025/26 and 2024/25 financial years are as follows:

*D Griffiths, M Davies and T Ricketts the real increase in pension is negative when applying an inflationary uplift of 1.7% to the value at 31st March 2025, and then compared with the value at 31st March 2026. D Griffiths also left the pension scheme when he left employment in Feb 26.

*R Krishnan – the real increase in pension is negative when applying an inflationary uplift of 6.7% to the value at 31st March 2024, and then compared with the value at 31st March 2025.

Pension Benefits have been reported in bands of £2.5k rather than to the nearest £1k, on request from Audit Wales. The financial year 2024-25 has been revised to accommodate this change.

The following notes provide explanations for either no salary or changes in salary or post between the financial years:

For 2025/26:

- D Griffiths , Director of Finance & Performance, left the Health Board on 16th February 2026.
- C Osmundsen-Little commenced as Interim Director of Finance on 9th March 2026, on secondment from Digital Health & Care Wales (DHCW). Due to not being possible to split out Greenbury pension benefits the whole of 2025/26 is shown. An indicative split between the two organisations would be 3/52ths for SBU and 49/52ths for DHCW.
- D Griffiths gross salary is in the range £165-£170k as at February 2026 before leaving the Health Board- the salary in the table is net of a salary sacrifice lease car deduction.
- D Lewis gross salary is in the range £160-£165k as at 31st March 2026 - the salary in the table is net of a salary sacrifice lease car deduction.
- M Davies gross salary is in the range £145-£150k as at 31st March 2026 - the salary in the table is net of a salary sacrifice lease car deduction.
- E Rix gross salary is in the range £170-£175k as at 31st March 2026 - the salary in the table is net of a salary sacrifice lease car deduction.

- E Rix commenced as Executive Director of Nursing & Patient Experience on 31st March 2025.
- T Ricketts commenced as Director or Workforce and Organisational Development on 1st May 2025.
- G Richardson commenced as Acting Director of Public Health on 1st April 2025.
- S Jenkins costs are included for April 25 only– she then took up a secondment opportunity with Velindre NHS Trust. However it is not possible to split the pension benefits for 1 month, so they are included for the whole of 2025/26.
- A Llewelyn, P Dunmore and H Annandale commenced as Associate members of the board, with J Vincent, A Griffiths and A Jarrett standing down as Associate members of the board during 2025/26. Associate board members are not remunerated.
- K Lloyd has declined remuneration in both financial years for his post as an Independent Member, and left his post in December 2025.
- C Rees-Sidhu has declined remuneration for her post as an Independent Member, and commenced in post in February 2026.
- J Davies is a full time employee of the Health Board and as such, has not received the remuneration that is normally paid to an Independent Member in both financial years. She stood down from her role as a non officer member in August 2025.
- M Lloyd is a full time employee of the Health Board and as such, has not received the remuneration that is normally paid to an Independent Member. He commenced in his role as a non officer member in August 2025.

For 2024/25:

- G Howells secondment from WG ceased on 31st August 2024.
- R Evans returned to Medical Director and Deputy Chief Executive on 28th October 2024 from Acting Chief Executive Officer, following commencement of A Harris as CEO.
- D Griffiths returned to Director of Finance & Performance on 28th October 2024 from Director of Finance & Performance & Deputy Chief Executive Officer, following commencement of A Harris as CEO.
- D Griffiths gross salary was in the range £165-£170k as at 31st March 2025- the salary in the table was net of a salary sacrifice lease car deduction, and included deputy chief executive role payments to 28th October 2024.

- A Mehta returned to Deputy Medical Director on 28th October 2024, from Acting Medical Director Post following Richard Evans' return to Medical Director in October 2024. Full year salary for acting and substantive roles and pension costs were included in the report.
- A Mehta gross salary was in the range £175-£180k as at 31st March 2025- the salary in the table was net of a salary sacrifice lease car deduction, and included deputy medical director payments to 28th October 2024.
- R Krishnan returned to Deputy Medical Director on 28th October 2024, from Acting Medical Director Post following Richard Evans' return to Medical Director in October 2024. Full year salary for acting and substantive roles and pension costs were included in the report.
- M Davies, Director of Planning & Partnerships commenced in post of 1st February 2025.
- N Vaughan, Interim Director of Strategy, within the salary range disclosed in the above table, there was an overpayment during 2024/25 of £2.5k, which was be recovered during 2025/26.
- N Vaughan, Interim Director of Strategy ceased this post in mid February 2025 when M Davies commenced in post on 1st February. Whilst N Vaughan continued to work for the organisation post February 2025, this was within a non Executive Director role.
- E Woollett left the role of Chair of the Health Board on 31st May 2024.
- J Williams commenced as Chair of the Health Board on 1st June 2024.
- A Griffiths, New Independent member started in post 1st January 2025.
- Professor T Crick left the role of Independent Member on 15th October 2024.
- M John (Director of Digital Services) & R Thomas (Director of Insight, Communication & Engagement) are non-voting members of the Board.

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the 25th percentile, median and 75th percentile remuneration of the organisation’s workforce.

The highest paid director in the LHB in 2025/26 as in 2024/25 was the Chief Executive (A Harris in 2025/26, R Evans to 28th October 2024, and A Harris 28th October 2024 to March 25) and the tables below provide details on the relationship between the remuneration of the Chief Executive and the 25th percentile, median and 75th percentile remuneration of the organisation’s workforce

	2025/26			2024/25		
	Chief Executive Salary (£)	**Employee Salary (£)**	**Ratio**	**Chief Executive Salary (£)**	**Employee Salary (£)**	**Ratio**
25th percentile pay ratio	227,390	26,156	8.69:1	227,265	28,240	8.11:1
Median pay	227,390	34,940	6.51:1	227,265	35,871	6.31:1
75th percentile pay ratio	227,390	43,272	5.25:1	227,265	49,254	4.63:1

There is a small increase in the ratio of the Chief Executive salary to the 25th percentile, median and 75% percentile when compared with the previous year due to the impact of varying pay awards, and the change mid year in 2024/25 of the Chief Executive. In 2024/25, 5% uplifts for VSM staff, 5.5% uplifts for A4C staff, and 6% uplifts for medical and dental staff were awarded. In 2025/26, VSM were awarded an increase of 3.25%, A4C staff 3.6% and Medical and Dental staff 4% in respect of Pay award uplifts.

In 2025/26, 31 (2024/25, 24) employees received remuneration in excess of the highest-paid director. The remuneration for those employees in 2025/26 and 2024/25 included payments in respect of waiting list initiatives, and additional sessions undertaken in addition to their normal salary. Remuneration for staff ranged from £23,875 to £218,519 during 2025/26 (2024/25 £23,970 to £323,663).

Total remuneration includes salary, non-consolidated performance-related pay, and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions. Benefits in kind relate to benefits derived from the provision of a leased or salary sacrifice car.

The employees who received remuneration in excess of the highest paid director in 2025/26 and 2024/25 were all medical staff. None of these staff members were related to the Chair, Executive Directors or Independent Members.

The following table shows the percentage change in the remuneration of the highest paid director and the percentage change in the remuneration of the employees of the entity taken as a whole.

	2024/25 - 2025/26 (%)	2023/24- 2024/25 (%)
Percentage Change from previous year in respect of the Chief Executive		
Salary and Allowances	3.76	1.07
Performance Pay and Bonuses	0.00	0.00
Average % Change from previous financial year in respect of employees takes as a whole		
Salary and Allowances	(1.81)	5.51
Performance Pay and Bonuses	0.00	0.00

The increase in the average salary and allowances of employees taken as a whole in the financial years 2023/24-2024/25 is due to differing pay award across financial years. In 2023/4, all staff were awarded a 5% pay award, with an additional consolidated recovery payment. In 2024-25 all A4C staff were awarded a 5.5% pay award, VSM staff 5%, and Medical staff 6% (with Junior doctors and dentists also receiving a consolidated payment of £1000).In 2025/26, staff were awarded lower percentage pay awards, VSM staff 3.25%, A4C staff 3.6% and Medical and Dental staff 4%. There were no consolidated payments made in 2025-26.

4. Directors Pension Benefits

The NHS scheme requires that employees pay from 5.2% up to 12.5%, on a tiered scale, of their earnings, into the NHS Pension Scheme, with the employer contributing 23.78%. The employer's contribution to the NHS Pension Scheme is excluded from the salary figures shown for Executive Directors.

Cash Equivalent Transfer Value

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of

their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures and the other pension details include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost.
CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real Increase in CETV
This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another scheme or arrangement) and uses common market valuation factors for the start and end of the period

The disclosures in the table below do not apply to independent members as they are not members of the NHS Pension Scheme and do not receive pensionable remuneration.

Name and Title	Accrued pension at pension age as at 31 March 2026 and related lump sum	Real Increase/ (Decrease) in pension and related lump sum at pension age	CETV at 31/03/2026	CETV at 31/03/2025	Real increase in CETV
	(bands of £5,00) £'000	(bands of £2,500) £'000	£'000	£'000	£'000
A Harris Chief Executive Officer from October 2024	85-90 plus lump sum of 220-225	17.5-20 plus lump sum of 40-42.5	2,070	1,587	455
D Griffiths Director of Finance and Performance and Acting Deputy Chief Executive from October 2023 to October 2024, Director of Finance and Performance from Oct 2024 – left Health Board Feb 26	65-70 plus lump sum of 155-160	0-2.5 plus lump sum of (12.5-15)	1,490	1,480	0*
C Osmundsen-Little Interim Director of Finance from March 2026	20-25 No lump sum	2.5-5 No lump sum	365		
R Evans	90-95	0-2.5	2,272	2,189	

Name and Title	Accrued pension at pension age as at 31 March 2026 and related lump sum	Real Increase/ (Decrease) in pension and related lump sum at pension age	CETV at 31/03/2026	CETV at 31/03/2025	Real increase in CETV
	(bands of £5,00) £'000	(bands of £2,500) £'000	£'000	£'000	£'000
Acting Chief Executive from October 2023 to October 2024, then Medical Director and Deputy Chief Executive	plus lump sum of 230-235	plus lump sum of (5-7.5)			46
E Rix Director of Nursing and Patient Experience from 31st March 2026	5-10 No lump sum	2.5-5 No lump sum	111		
T Ricketts Director of Workforce & Organisational Development from May 2026	5-10 No lump sum	(35-37.5) Plus lump sum (120-122.5)	108		
G Richardson Acting Director of Public Health from April 2025	0-5 No lump sum	0-2.5 No lump sum	29		
M Davies	65-70	(2.5-5)	1,286	1,329	0*

Name and Title	Accrued pension at pension age as at 31 March 2026 and related lump sum	Real Increase/ (Decrease) in pension and related lump sum at pension age	CETV at 31/03/2026	CETV at 31/03/2025	Real increase in CETV
	(bands of £5,00) £'000	(bands of £2,500) £'000	£'000	£'000	£'000
Director of Planning & Partnerships	plus lump sum 70-75	plus lump sum (7.5-10)			
D Lewis COO and Executive Director of Primary Care and Mental Health	55-60 plus lump sum 120-125	2.5-5 plus lump sum (2.5-5)	1,283	1,201	62
S Jenkins Interim Director of workforce & OD (To Apr 25)	15-20 No lump sum	0-2.5 No lump sum			
H Lloyd Director of Corporate Governance/Board Secretary	45-50 plus lump sum of 105-110	2.5-5 plus lump sum of 0-2.5	1,007	927	65

* C Osmundsen-Little, G Richardson, E Rix, & T Ricketts were not executive directors in the prior year, therefore full year comparators are excluded. D Griffiths left the Health Board in February 2026. M Davies & D Griffiths real increases in CETV are

negative and therefore zero is shown. S Jenkins CETV are not shown at 31/3/26 as she left the organisation at the end of April 25 on a secondment to Velindre NHS Trust.

- C Morrell, Director of Therapies and Health Science chose not to be covered by the NHS Pension Arrangements during 2025/26.

CETV figures are calculated using the guidance on discount rates for calculating unfunded public service pension contribution rates that was extant at 31 March 2026 of 1.7%. HM Treasury published updated guidance in 2026 that will be used in the calculation of 2026-27 CETV figures of 3.8%.

5. Contracts of employment

With the exception of the Interim Director of Finance, (C Osmundsen-Little) who is on secondment from DHCW (Digital Health and Care Wales), all Executive Directors are on permanent Contracts of Employment with Swansea Bay University Local Health Board (however, G Richardson is on an interim Executive Director contract).. Executive Directors are required to give the Health Board three months' notice and are eligible to receive three months' notice from the Health Board. The policy on duration of contracts, notice period and termination periods is that set by the Welsh Government.

The only provisions for early termination are as allowed by the NHS Pension Scheme (compensation for premature retirement) regulations. In all other cases of early termination this will be as detailed in individuals' contract of employment.

6. Other information

There are no local pay bargaining initiatives within the Health Board. No payments have been made for Professional Indemnity Insurance for any Officer or Director.

7. Staff Report Section

This section of the report includes information on staff numbers, composition, sickness absence data, staff policies applied during the year, expenditure on consultancy, off-payroll engagements and exit packages.

7.1 Staff Numbers and Composition

The average number of employees by staff group for 2025/26 is set out in the table below, along with the comparison for 2024/25. The average is calculated as the whole time equivalent number of employees under contract of service at the end of each calendar month in the financial year, divided by the number of months in the financial year.

Staff Group	Permanent Staff	Staff on Inward Secondment	Agency Staff	Specialist Trainees (SLE)	Collaborative Bank	Other	Total 2025/26	Total 2024/25
Administration, Clerical & Board Members	2,379	9	3	0	0	0	**2,391**	**2,444**
Medical & Dental	942	13	10	481	0	59	**1,505**	**1,508**
Nursing, Midwifery registered	4,252	2	20	0	0	0	**4,274**	**4,243**
Professional, Scientific & technical staff	442	1	0	0	0	0	**442**	**414**
Additional Clinical Services	2,561	0	20	0	0	0	**2,581**	**2,683**
Allied Health Professions	1,028	2	7	0	0	0	**1,037**	**1,008**
Healthcare Scientists	372	1	46	0	0	0	**419**	**374**
Estates and Ancillary	952	0	4	0	0	0	**956**	**963**
Totals	**12,928**	**28**	**110**	**481**	**0**	**59**	**13,606**	**13,637**

Staff included as Specialist Trainees (SLE) in the table above are Medical, Dental and GP Trainees employed under the Single Lead Employer Arrangement by Velindre NHS Trust but who are placed for their training within the Health Board. Prior to

August 2020 these trainees were directly employed by the Health Board and as such would have been classified as permanent staff.

There were no collaborative Bank Staff in the Health Board during 2025/26.

Staff listed under the "Other" column in the table above are temporary staff sourced through the MEDACS managed service contract. These staff are paid through the NHS payroll.

As at 31st March 2026, the Health Board has 14,594 employees, of which 10 are Executive Directors. Of these staff, 3,347 are male, including 1 Executive Director, and 11,247 are female, including 9 female Executive Directors.
There are also 9 Independent Members, of which 2 are male and 7 are female.

7.2 Sickness Absence Data

	2025/26	2024/25
Total days lost	342,204	393,602
Short Term Sickness (27 days or less)	90,816	111,265
Long Term Sickness (28 days or more)	251,389	282,337
Average working days lost	17	26
Total staff employed in period (headcount)	14,685	14,805
Total staff employed in period with no absence (headcount)	3,882	4,225
Percentage staff with no sick leave	27.15%	25.54%

7.3 Staff Policies applied during the year:

The staff policy on equality was applied during the year to address the following:

- For giving full and fair consideration to applications for employment by the Health Board made by disabled persons, having regard to their particular aptitudes and abilities.
- For continuing the employment of, and for arranging appropriate training for, employees of the Health board who have become disabled persons during the period when they were employed by the Health Board.
- Otherwise for the training, career development and promotion of disabled persons employed by the Health Board.

7.4 Expenditure on Consultancy

As disclosed in Note 3.3 of the Health Board's Accounts, the Health Board incurred expenditure of £3.447m on Consultancy Services in 2025/26, (£0.678m in 2024/25). Expenditure on Consultancy Services is incurred when outside expertise is required by the Health Board to support the Health Board in managing its services and functions on a day to day basis. Such examples for 2025/26 include:

- External Strategic Partner, supporting the Health Board in the identification and delivery of savings schemes for 2025/26 and 2026/27.
- Management Consultancy to support the Neath Port Talbot & Singleton Service Group with a review of Maternity & Neonatal Services.
- Management Consultancy to support the Health Board with Patient Discharges under the Homes First and Waiting well schemes.
- External advice and support for Staff & Patient Wellbeing.

7.5 Off-payroll Engagements

Table 1: For all off-payroll engagements as of 31 March 2026, for more than £245 per day and that last for longer than six months

Number of existing engagements as of 31 March 2026	0
Of which...	
Number that have existed for less than one year at time of reporting.	0
Number that have existed for between one and two years at time of reporting.	0
Number that have existed for between two and three years at time of reporting.	0
Number that have existed for between three and four years at time of reporting.	0
Number that have existed for four or more years at time of reporting.	0

Table 2: For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2025 and 31 March 2026, for more than £245 per day and that last for longer than six months

Number of new engagements, or those that reached six months in duration, between 1 April 2023 and 31 March 2024	0
Number of these engagements which were assessed as caught by IR35	0
Number of these engagements which were assessed as not caught by IR35	0
Number of these engagements that were engaged directly (via PSC contracted to department) and are on the departmental payroll;	0
Number of these engagements that were reassessed for consistency/assurance purposes during the year whom assurance has been requested but not received;	0
Number that saw a change to IR35 status following the consistency review.	0

Table 3: For any off-payroll engagements of board members, and/or senior officials with significant financial responsibility, between 1 April 2025 and 31 March 2026

Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	0
Details of the exceptional circumstances that led to each of these engagements.	Not Applicable
Details of the length of time each of these exceptional engagements lasted	Not Applicable
Total number of individuals both on and off-payroll that have been deemed "board members and/or senior officials with significant financial responsibility", during the financial year. This figure includes engagements which are ON PAYROLL as well as those off-payroll.	0

There were 0 off payroll engagements in place at the start of the 2025/26 financial year. There have been no new off payroll engagements during the year.

7.6 Exit packages

The figures disclosed relate to exit packages agreed in the year as per note 9.5. The actual date of departure might be in a subsequent period, and the expense in relation to the departure costs may have been accrued in a previous period. The data here is therefore presented on a different basis to other staff costs and expenditure noted in the Health Board's Annual Accounts.

	2025/26				2024/25
Staff Numbers **Exit packages cost band (including any special payment element)**	**Number of compulsory redundancies**	**Number of other departures**	**Total number of exit packages**	**Number of departures where special payments have been made**	**Total number of exit packages**
less than £10,000	0	0	0	0	5
£10,000 to £25,000	0	1	1	0	3
£25,000 to £50,000	0	3	3	0	6
£50,000 to £100,000	0	0	0	0	0
£100,000 to £150,000	0	1	1	0	0
£150,000 to £200,000	0	0	0	0	0

	2025/26				2024/25
more than £200,000	0	0	0	0	0
Total	**0**	**5**	**5**	**0**	**14**

	2025/26				2024/25
Exit Packages Costs **Exit packages cost band (including any special payment element)**	**Cost of compulsory redundancies**	**Cost of other departures**	**Total cost of exit packages**	**Cost of special element included in exit packages**	**Total cost of exit packages**
	£	**£**	**£**	**£**	**£**
less than £10,000	0	0	0	0	16,687
£10,000 to £25,000	0	21,262	21,262	0	45,832
£25,000 to £50,000	0	97,948	97,948	0	196,895
£50,000 to £100,000	0	0	0	0	0
£100,000 to £150,000	0	106,919	106,919	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0

	2025/26				2024/25
Total	**0**	**226,129**	**226,129**	**0**	**259,414**

Where the LHB has agreed early retirements, the additional costs are met by the LHB and not by the NHS Pensions Scheme. Ill-health retirement costs are met by the NHS Pensions Scheme and are not included in the table.

£204,867 exit costs were paid in 2025/26 (2024/25, £229,863).

Parliamentary Accountability and Audit Report 2025-26

Senedd Cymru/Welsh Parliamentary Accountability Report

Swansea Bay University Health Board makes the following Parliamentary disclosures for 2025-26:

- **Regularity of expenditure** - public resources were used to deliver the intended objectives and expenditure was compliant with relevant legislation including EU legislation, delegated authorities and followed the guidance in Managing Welsh Public Money.

- **Fees and charges** - charges for services provided by public sector organisations normally pass on the full cost of providing those services. Public sector organisations may also supply commercial services on commercial terms designed to work in fair competition with private sector providers. The Welsh Government expects proper controls over how, when and at what level charges may be levied. This is not applicable to the Health Board – all items are charged at full cost recovery.

- The Health Board is compliant with the cost allocation and charging requirements set out in HM Treasury guidance.

- All remote contingent liabilities are disclosed under IAS37.

The Certificate and report of the Auditor General for Wales to the Senedd

Opinion on financial statements

I certify that I have audited the financial statements of Swansea Bay University Local Health Board for the year ended 31 March 2026 under Section 61 of the Public Audit (Wales) Act 2004.

These comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Cash Flow Statement and Statement of Changes in Taxpayers' Equity and related notes, including a summary of material accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual.

In my opinion, in all material respects, the financial statements:

- give a true and fair view of the state of affairs of Swansea Bay University Local Health Board as at 31 March 2026 and of its net operating costs for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual; and
- have been properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made there under by Welsh Ministers.

Opinion on regularity

In my opinion, except for the matters described in the Basis for Qualified Regularity Opinion section of my report, in all material respects, the expenditure and income in the financial statements have been applied to the purposes intended by the Senedd and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for Qualified Opinion on regularity

I have qualified my opinion on the regularity of Swansea Bay University Local Health Board's financial statements because the Health Board has breached its resource limit by spending £112.428 million over the £4,055 million that it was authorised to spend in the three-year period 2023-24 to 2025-26. This spending constitutes irregular expenditure.
Further detail is set out in my attached Report.

Basis for opinions

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my certificate. My staff and I are independent of the Board in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this certificate.
The going concern basis of accounting for Swansea Bay University Local Health Board is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

Other information

The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. The Chief Executive is responsible for the other information contained within the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon. My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the

course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.
I have nothing to report in this regard.

Opinion on other matters

In my opinion, the part of the remuneration report to be audited has been properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made there under by Welsh Ministers.

In my opinion, based on the work undertaken in the course of my audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made there under by Welsh
  Minsters' directions; and;

- the information given in the Foreword, Accountability Report and Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with Welsh Ministers' guidance.

Matters on which I report by exception

In the light of the knowledge and understanding of the Board and its environment obtained in the course of the audit, I have not identified material misstatements in the Foreword and Accountability Report or the Governance Statement.

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

- I have not received all the information and explanations I require for my audit;
- adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by my team;
- the financial statements and the audited part of the Accountability Report are not in agreement with the accounting records and returns;
- information specified by HM Treasury or Welsh Ministers regarding remuneration and other transactions is not disclosed;
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual are not made or parts of the Remuneration Report

to be audited are not in agreement with the accounting records and returns; or

- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of Directors and the Chief Executive for the financial statements

As explained more fully in the Statements of Directors' and Chief Executive's Responsibilities, the Directors and the Chief Executive are responsible for:

- maintaining adequate accounting records
- the preparation of financial statements and annual report in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- ensuring that the annual report and financial statements as a whole are fair, balanced and understandable;
- ensuring the regularity of financial transactions;
- internal controls as the Directors and Chief Executive determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- assessing the Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors and Chief Executive anticipate that the services provided by the Board will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the National Health Service (Wales) Act 2006.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- Enquiring of management, the audited entity's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to Swansea Bay University Local Health Board policies and procedures concerned with:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: expenditure recognition, posting of unusual journals and biases in accounting estimates;
- Obtaining an understanding of Swansea Bay University Local Health Board's framework of authority as well as other legal and regulatory frameworks that the Swansea Bay University Local Health Board operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of Swansea Bay University Local Health Board;
- Obtaining an understanding of related party relationships.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, those charged with governance and legal advisors about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance and the Board; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the Swansea Bay University Local Health Board controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Other auditor's responsibilities

I am also required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Senedd and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report

Please see below.

Adrian Crompton

Auditor General for Wales

26 June 2026

1 Capital Quarter

Tyndall Street

Cardiff

CF10 4BZ

Report of the Auditor General to the Senedd

Introduction

Under the Public Audit Wales Act 2004, I am responsible for auditing, certifying and reporting on Swansea Bay University Local Health Board's (the LHB's) financial statements.

I am reporting on these financial statements for the year ended 31 March 2026 to draw attention to key matters for my audit, as follows:

- failure against the first financial duty and consequential qualification of my 'regularity' opinion; and
- the failure of the Health Board to achieve the second financial duty.

I have not qualified my 'true and fair' opinion in respect of any of these matters.

Financial duties

Local Health Boards (LHBs) are required to meet two statutory financial duties – known as the first and second financial duties.

For 2025-26, the LHB failed to meet both the first and the second financial duty.

Failure of the first financial duty

The **first financial duty** gives additional flexibility to LHBs by allowing them to balance their income with their expenditure over a three-year rolling period. The three-year period being measured under this duty this year is 2023-24 to 2025-26.

As shown in Note 2.1 to the Financial Statements, the LHB did not manage its revenue expenditure within its resource allocation over this three-year period, exceeding its cumulative revenue resource limit of £4,055 million by £112.428 million.

Where an LHB does not balance its books over a rolling three-year period, any expenditure over the resource allocation (ie spending limit) for those three years exceeds the LHB's authority to spend and is therefore 'irregular'. In such circumstances, I am required to qualify my 'regularity opinion' irrespective of the value of the excess spending.

Failure of the second financial duty

The **second financial duty** requires LHBs to prepare and have approved by the Welsh Ministers a rolling three-year integrated medium-term plan. This duty is an essential foundation to the delivery of sustainable quality health services. An LHB will be deemed to have met this duty for 2025-26 if it submitted a 2025-26 to 2027-28 plan approved by its Board to the Welsh Ministers, who were required to review and consider approval of the plan.

As shown in Note 2.3 to the Financial Statements, the LHB did not meet its second financial duty to have an approved three-year integrated medium-term plan in place for the period 2025-26 to 2027-28.

Adrian Crompton

Auditor General for Wales 26 June 2026

Long Term Expenditure Trends 2025-26

1. Long Term Expenditure Trends

The Swansea Bay University Local Health Board was established on 1st April 2019 under statutory instrument 2019 No.349 (W.83), the Local Health Boards (Area Change) (Wales) (Miscellaneous Amendment) Order 2019.

This statutory instrument transferred the principal local government area of Bridgend from Abertawe Bro Morgannwg University Local Health Board to Cwm Taf University Local Health Board in addition confirmed that Abertawe Bro Morgannwg University Local Health Board would be renamed as Swansea Bay University Local Health Board.

Swansea Bay University Local Health Board is responsible for the provision of healthcare services for the populations falling under the local government areas of Swansea and Neath Port Talbot.

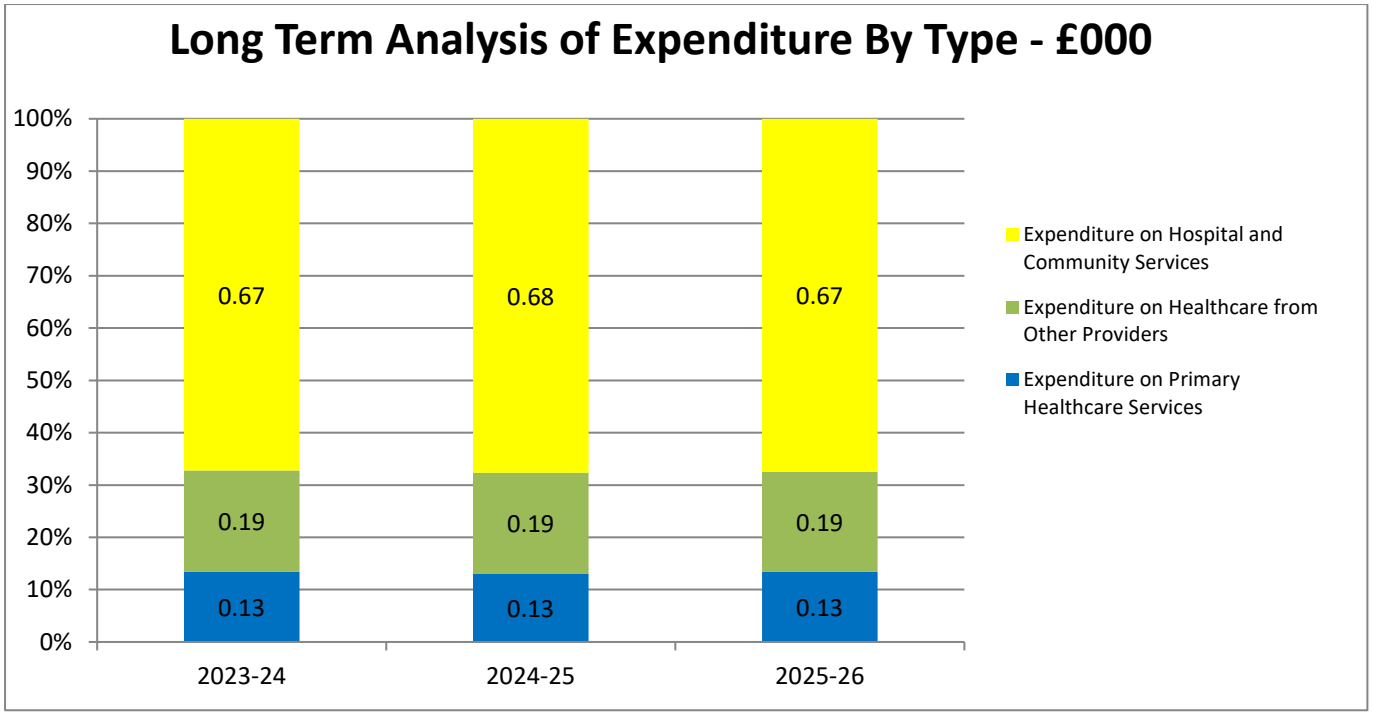
2025/26 presented a challenging financial year with the Health Board reporting an increased deficit position compared to 2024/25. The 2025/26 financial year continued to provide challenges for the health board in part due to the non delivery of recurrent savings from previous financial years plus operational pressures across planned care and urgent and emergency care resulting in the continued use of variable pay alongside growth in Continuing Health Care (CHC) costs, which can be seen within Note 3 of the Health Board Annual Accounts on Operating Costs.

The movements in expenditure for the financial years 2023/24 to 2025/26 are documented below by the main expenditure headings of:

- Expenditure on Primary Healthcare Services
- Expenditure on Healthcare from Other Providers
- Expenditure on Hospital and Community Services

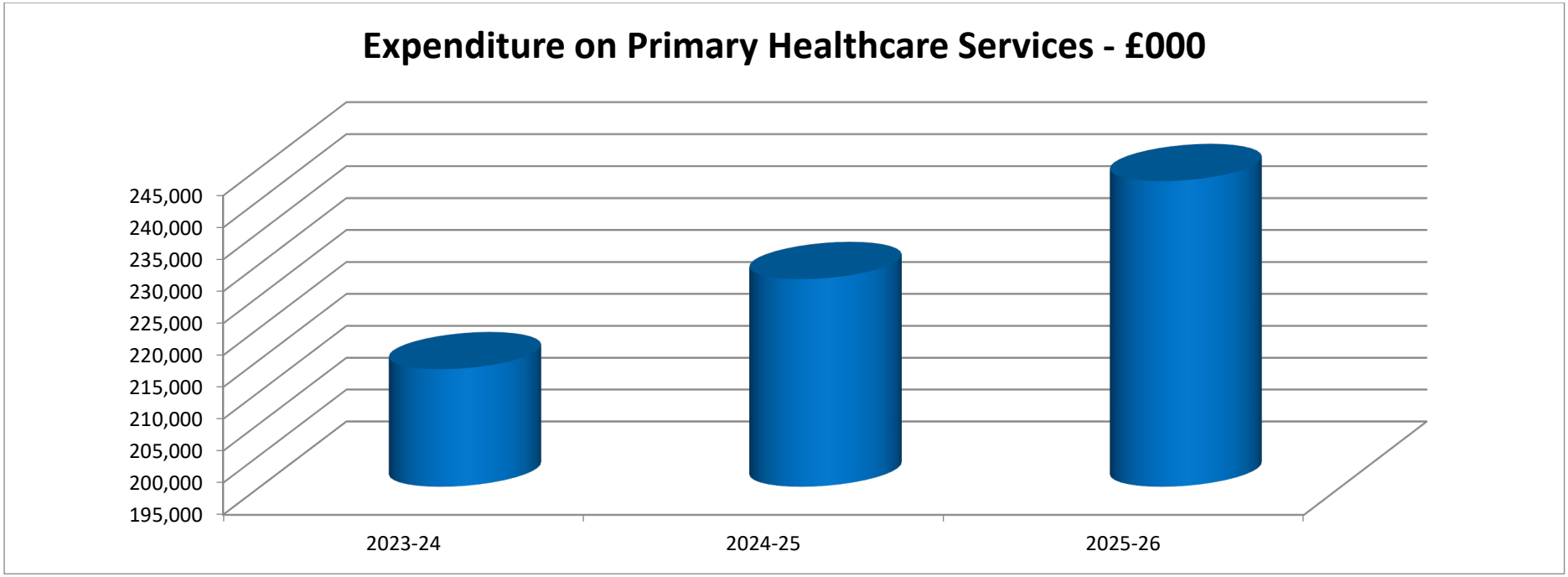
In 2025/26 there has been a 6.7% increase in expenditure on Primary Care Services compared to 2024/25, and similarly an increase of 3.5% on Healthcare from Other Providers and 3.9% increase on Hospital & Community Services in 2025/26 when compared to 2024/25. However the distribution across the categories of expenditure remains consistent with that of 2024/25, as indicated in the chart below. The main increases in Primary Healthcare Services are attributable to General Medical Services, General Ophthalmic Services and Dental Services. For Healthcare from Other Providers, expenditure with JCC (Joint Commissioning Committee) and CHC are the primary drivers for the increases in this category. Within Hospital & Community Services, the main increases in expenditure in 2025/26 have been in respect of staffing costs and Clinical Supplies & Services.

	2023/24	2024/25	2025/26
	£000	£000	£000
Primary Healthcare Services	213,436	227,549	242,880
Healthcare from Other Providers	309,640	335,625	347,354
Hospital and Community Services	1,073,680	1,178,190	1,224,348



3.1 Expenditure on Primary Healthcare Services

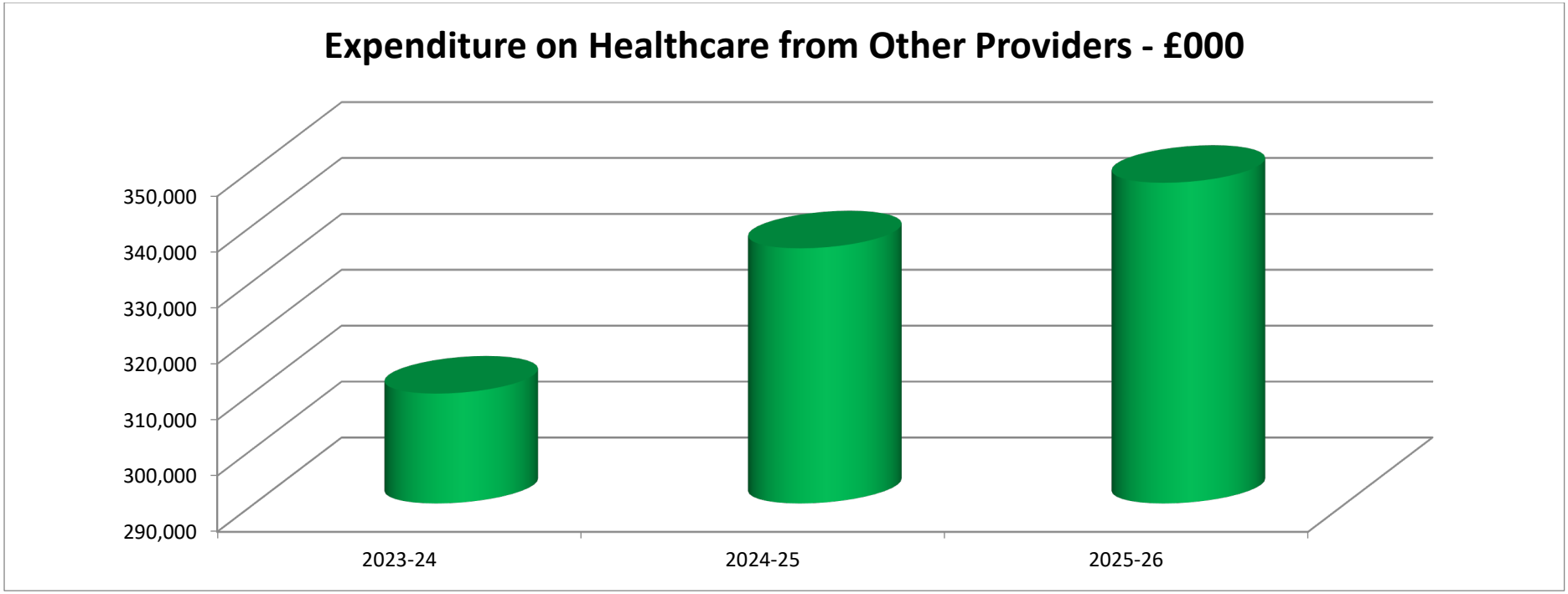
Expenditure on Primary Healthcare Services comprises expenditure on the Primary Care contracts for General Medical Services, Pharmaceutical Services, General Dental Services, General Ophthalmic Services, Prescribed Drugs and Appliances and other Primary Health Care Expenditure.



In 2025/26, expenditure increased to £243m, an increase of 6.7%. The greatest increase was in General Medical Services £0.8m (33%) ,General Ophthalmic Services £1.4m (4%) and Dental Services £1.2m (13%). Prescribed drugs and appliances account for 36.8% of expenditure.

3.2 Expenditure on Healthcare from Other Providers

Expenditure on healthcare from other providers comprises expenditure with other NHS organisations, Local Authorities, Voluntary Organisations, private providers and for NHS funded nursing and continuing healthcare.



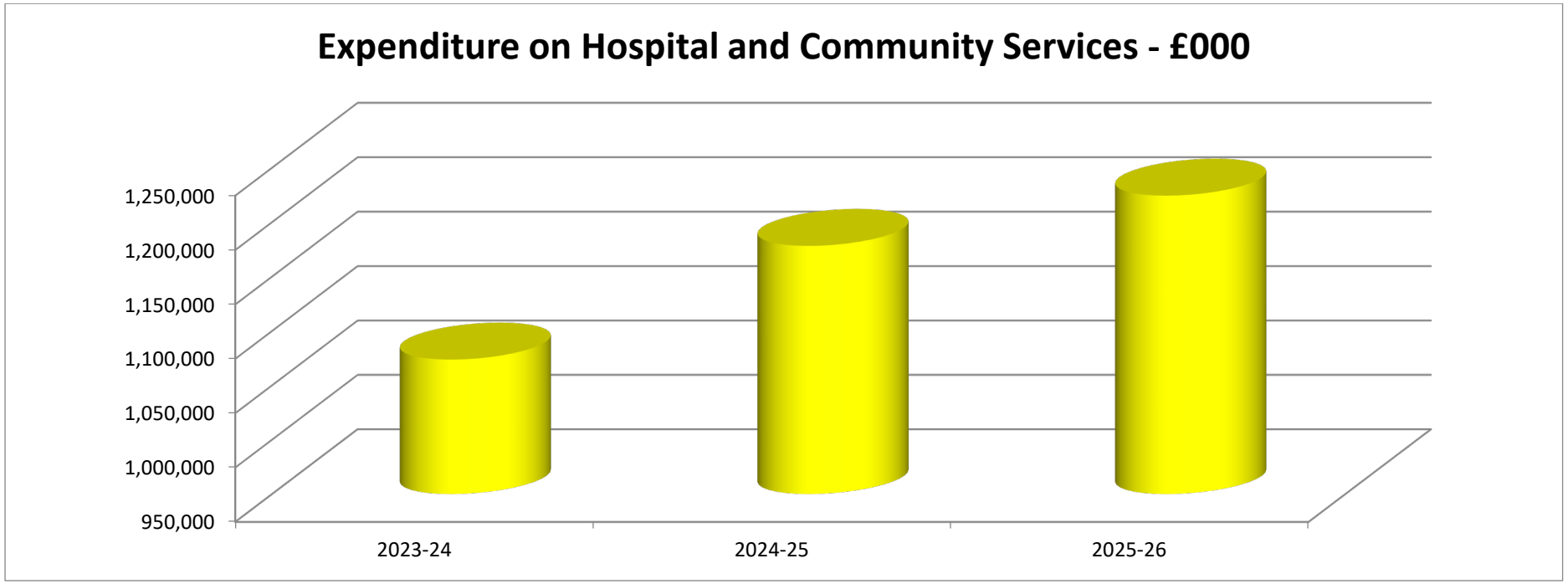
In 2024/25 expenditure on Healthcare from Other Providers increased by 3.3% to £347m. The main increases were in expenditure on CHC which increased by £8.25m (8.9%) and Funded Nursing Care which increased by £0.3m (2.6%) from 2024/25. A combination in increased growth in cases and process of packages rising with basic nursing packages increasing, impacted on by the growth in Real Living Wage has impacted significantly on expenditure.

There was a decrease in the costs of private providers in 2025/26 – a decrease of £1.8m (17%). This is due to reductions in patients waiting for long periods of time on the planned care waiting list. There was a large increase in expenditure on goods and services with JCC which increased by £10.1m (6.9%). This increase relates to the nationally agreed JCC plan, inflation and pay award funding.for 2025/26. There was also a reduction in goods and

services from other NHS Wales Health Boards of £2.4m which primarily relates to the Cwm Taf Morgannwg Health Board.

3.3 Expenditure on Hospital and Community Health Services

This area represents the majority of the health board's expenditure and as such sees the biggest fluctuations over time.



In 2025/26 expenditure on Hospital & Community services increased by £46.2m (3.9%) to £1,224m. The largest increase was in staff costs of £50.1m (5.7%) which includes staff costs in respect of junior medical staff under the

Single Lead Employer (SLE) arrangement with Velindre NHS Trust. Of the increase £29.1m relates to the consolidated pay award of 3.6% for A4C staff, and 4% in general for medical staff. A cohort of staff were rebanded at an additional cost of £7m.There has also been a small increase of £1.7m on expenditure on Clinical supplies and services, £1.8m on General supplies and services and £2.7m on Consultancy costs.

Financial Statements and Notes 2025-26

SWANSEA BAY UNIVERSITY LOCAL HEALTH BOARD

FOREWORD

These accounts have been prepared by the Local Health Board under schedule 9 section 178 Para 3(1) of the National Health Service (Wales) Act 2006 (c.42) in the form in which the Welsh Ministers have, with the approval of the Treasury, directed.

Statutory background

The Local Health Board was established on 1st April 2019 under statutory instrument 2019 No.349 (W.83), the Local Health Boards (Area Change) (Wales) (Miscellaneous Amendment) Order 2019.

This statutory instrument transferred the principal local government area of Bridgend from Abertawe Bro Morgannwg University Local Health Board to Cwm Taf University Local Health Board in addition to confirming that Abertawe Bro Morgannwg University Local Health Board is renamed and is to be known as Swansea Bay University Local Health Board.

Swansea Bay University Local Health Board is responsible for the provision of healthcare services for the populations falling under the local government areas of Swansea and Neath Port Talbot.

On 1st April 2019 all staff property, assets and liabilities relating to services provided to the local government area of Bridgend transferred from Swansea Bay University Local Health Board to Cwm Taf Morgannwg Local Health Board. This transfer was undertaken in line with the Local Health Boards (Area Change) (transfer of Staff, Property and Liabilities) (Wales) Order 2019. The transfer was accounted for under absorption accounting rules.

The Health Board's predecessor organisation, Abertawe Bro Morgannwg University Health Board, was established on 1st October 2009 following the merger of the former Abertawe Bro Morgannwg University NHS Trust, Swansea Local Health Board, Neath Port Talbot Local Health Board and Bridgend Local Health Board, providing services to the local government areas of Swansea, Neath Port Talbot and Bridgend.

Performance Management and Financial Results

Welsh Health Circular WHC/2016/054 replaces WHC/2015/014 ‘Statutory and Administrative Financial Duties of NHS Trusts and Local Health Boards’ and further clarifies the statutory financial duties of NHS Wales bodies and is effective for 2025-26. The annual financial duty has been revoked and the statutory breakeven duty has reverted to a three year duty, with the first assessment of this duty in 2016-17.

Local Health Boards in Wales must comply fully with the Treasury's Financial Reporting Manual to the extent that it is applicable to them. As a result, the primary statement of in-year income and expenditure is the Statement of Comprehensive Net Expenditure, which shows the net operating cost incurred by the Local Health Board which is funded by the Welsh Government. This funding is allocated on receipt directly to the General Fund in the Statement of Financial Position.

Under the National Health Services Finance (Wales) Act 2014, the annual requirement to achieve balance against Resource Limits has been replaced with a duty to ensure, in a rolling 3 year period, that its aggregate expenditure does not exceed its aggregate approved limits.

The Act came into effect from 1st April 2014 and under the Act the first assessment of the 3 year rolling financial duty took place at the end of 2016-17.

Statement of Comprehensive Net Expenditure for the year ended 31 March 2026

	Note	2025-26 £000	2024-25 £000
Expenditure on Primary Healthcare Services	3.1	**242,880**	227,549
Expenditure on healthcare from other providers	3.2	**347,354**	335,625
Expenditure on Hospital and Community Health Services	3.3	**1,224,348**	1,178,189
		1,814,582	1,741,363
Less: Miscellaneous Income	4	**(353,190)**	(330,267)
LHB net operating costs before interest and other gains and losses		**1,461,392**	1,411,096
Investment Revenue	5	**0**	0
Other (Gains) / Losses	6	**34**	103
Finance costs	7	**6,382**	9,077
Net operating costs for the financial year		**1,467,808**	**1,420,276**

Details of the Health Board's performance against its revenue and capital allocations over the last three financial periods are provided in Note 2 on page 27.

The notes on pages 8 to 76 form part of these accounts.

Other Comprehensive Net Expenditure

	2025-26 £000	2024-25 £000
Net (gain) / loss on revaluation of property, plant and equipment	**(30,124)**	(2,594)
Net (gain)/loss on revaluation of right of use assets	**0**	0
Net (gain) / loss on revaluation of intangible assets	**0**	0
Net (gain) loss on revaluation of financial assets	**0**	0
Net (gain)/ loss on revaluation of PPE & Intangible assets held for sale	**0**	0
Net (gain)/loss on revaluation of financial assets held for sale	**0**	(69)
Impairment and reversals	**0**	0
(Gain)/Loss on other reserve movements	**0**	0
Transfers between reserves	**1**	0
Release of reserves to SoCNE	**0**	0
Transfers (to) / from other NHS Wales bodies	**0**	0
Reclassification adjustment on disposal of available for sale financial assets	**0**	0
Other comprehensive net expenditure for the year	**(30,123)**	(2,663)
Total comprehensive net expenditure for the year	**1,437,685**	1,417,613

The notes on pages 8 to 76 form part of these accounts.

Statement of Financial Position as at 31 March 2026

	Notes	31 March 2026 £000	31 March 2025 £000
Non-current assets			
Property, plant and equipment	11	**662,280**	597,819
Right of Use Assets	11.3	**38,266**	37,984
Intangible assets	12	**1,610**	2,058
Trade and other receivables	15	**181,794**	148,795
Other financial assets	16	**0**	0
Total non-current assets		**883,950**	786,656
Current assets			
Inventories	14	**12,968**	12,886
Trade and other receivables	15	**89,875**	102,323
Other financial assets	16	**0**	0
Cash and cash equivalents	17	**2,751**	3,444
		105,594	118,653
Non-current assets classified as "Held for Sale"	11	**0**	1,434
Total current assets		**105,594**	120,087
Total assets		**989,544**	906,743
Current liabilities			
Trade and other payables	18	**(196,389)**	(199,721)
Other financial liabilities	19	**0**	0
Provisions	20	**(29,484)**	(43,580)
Total current liabilities		**(225,873)**	(243,301)
Net current assets/ (liabilities)		**(120,279)**	(123,214)
Non-current liabilities			
Trade and other payables	18	**(71,680)**	(81,477)
Other financial liabilities	19	**0**	0
Provisions	20	**(187,422)**	(154,048)
Total non-current liabilities		**(259,102)**	(235,525)
Total assets employed		**504,569**	427,917
Financed by :			
Taxpayers' equity			
General Fund		**412,330**	358,950
Revaluation reserve		**92,239**	68,967
Total taxpayers' equity		**504,569**	427,917

The financial statements on pages 2 to 7 were approved by the Board on 25 06 2026 and signed on its behalf by:

Abigail Harris

Chief Executive and Accountable Officer ..... Date: 25 06 2026

The notes on pages 8 to 76 form part of these accounts.

Statement of Changes in Taxpayers' Equity
For the year ended 31 March 2026

	General Fund £000	Revaluation Reserve £000	Total Reserves £000
Changes in taxpayers' equity for 2025-26			
Balance as at 31 March 2025	358,950	68,967	**427,917**
NHS Wales Transfer	0	0	**0**
RoU Asset Transitioning Adjustment	0	0	**0**
Impact of IFRS 16 on PPP/PFI Liability	0	0	**0**
Balance at 1 April 2025	358,950	68,967	**427,917**
Net operating cost for the year	(1,467,808)		**(1,467,808)**
Net gain/(loss) on revaluation of property, plant and equipment	0	30,124	**30,124**
Net gain/(loss) on revaluation of right of use assets	0	0	**0**
Net gain/(loss) on revaluation of intangible assets	0	0	**0**
Net gain/(loss) on revaluation of financial assets	0	0	**0**
Net gain/(loss) on revaluation of PPE and Intangible assets held for sale	0	0	**0**
Net gain/(loss) on revaluation of financial assets held for sale	0	0	**0**
Impairments and reversals	0	0	**0**
Net gain/(loss) on other reserve movements	0	0	**0**
Transfers between reserves	6,851	(6,852)	**(1)**
Release of reserves to SoCNE	0	0	**0**
Transfers (to) / from other NHS Wales bodies	0	0	**0**
Reclassification adjustment on disposal of available for sale financial assets	0	0	**0**
Total recognised income and expense for 2025-26	(1,460,957)	23,272	**(1,437,685)**
Net Welsh Government funding	1,459,296		**1,459,296**
Notional Welsh Government Funding	55,041		**55,041**
Balance at 31 March 2026	412,330	92,239	**504,569**

Notional Welsh Government funding line includes 9.4% staff employer pension and Pensions Annual Allowance Charge Compensation Scheme (PAACCS) costs paid centrally by Welsh Government.

Notional Welsh Government funding split:

Notional 9.4% staff employer pension £55,016,000
Pensions Annual Allowance Charge Compensation Scheme (PAACCS) £24,500

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The notes on pages 8 to 76 form part of these accounts.

Statement of Changes in Taxpayers' Equity
For the year ended 31 March 2025

	General Fund £000	Revaluation Reserve £000	Total Reserves £000
Changes in taxpayers' equity for 2024-25			
Balance at 31 March 2024	340,985	66,845	**407,830**
NHS Wales Transfer	0	0	**0**
RoU Asset Transitioning Adjustment	0	0	**0**
Impact of IFRS 16 on PPP/PFI Liability	0	0	**0**
Balance at 1 April 2024	340,985	66,845	**407,830**
Net operating cost for the year	(1,420,276)		**(1,420,276)**
Net gain/(loss) on revaluation of property, plant and equipment	0	2,594	**2,594**
Net gain/(loss) on revaluation of right of use assets	0	0	**0**
Net gain/(loss) on revaluation of intangible assets	0	0	**0**
Net gain/(loss) on revaluation of financial assets	0	0	**0**
Net gain/(loss) on revaluation of PPE and Intangible assets held for sale	0	(69)	**(69)**
Net gain/(loss) on revaluation of financial assets held for sale	0	0	**0**
Impairments and reversals	0	0	**0**
Net gain/(loss) on other reserve movements	0	0	**0**
Transfers between reserves	403	(403)	**0**
Release of reserves to SoCNE	0	0	**0**
Transfers (to) / from other NHS Wales bodies	0	0	**0**
Reclassification adjustment on disposal of available for sale financial assets	0	0	**0**
Total recognised income and expense for 2024-25	(1,419,873)	2,122	**(1,417,751)**
Net Welsh Government funding	1,385,684		**1,385,684**
Notional Welsh Government Funding	52,154		**52,154**
Balance at 31 March 2025	358,950	68,967	**427,917**

Notional Welsh Government funding line includes 9.4% staff employer pension and Pensions Annual Allowance Charge Compensation Scheme (PAACCS) costs paid centrally by Welsh Government.

The Department of Health and Social Care (DHSC) 2023-24 consultation on the NHS Pension Scheme confirmed that the transitional approach that has operated since 2019-20 for employer contributions will continue in 2024-25. From 1st April 2024 an employer rate of 23.7% (23.78% inclusive of the administration charge) will apply.

However, the NHS Business Services Authority will continue to only collect 14.38% from NHS Wales employers under their normal monthly payment process to the NHS Pension Scheme. This has a resulted in an increase in the central payments made by Welsh Government from 6.3% to 9.4%.

Notional Welsh Government funding split:

Notional 9.4% staff employer pension £52,138,000
Pensions Annual Allowance Charge Compensation Scheme (PAACCS) £16,000

The notes on pages 8 to 76 form part of these accounts.

Statement of Cash Flows for year ended 31 March 2026

	Notes	2025-26 £000	2024-25 £000
Cash Flows from operating activities			
Net operating cost for the financial year		**(1,467,808)**	(1,420,276)
Movements in Working Capital	27	**(27,984)**	(18,355)
Other cash flow adjustments	28	**130,557**	118,628
Provisions utilised	20	**(31,233)**	(17,956)
Net cash outflow from operating activities		**(1,396,468)**	(1,337,959)
Cash Flows from investing activities			
Purchase of property, plant and equipment		**(50,432)**	(35,357)
Proceeds from disposal of property, plant and equipment		**1,530**	552
Purchase of intangible assets		**(251)**	(829)
Proceeds from disposal of intangible assets		**0**	0
Payment for other financial assets		**0**	0
Proceeds from disposal of other financial assets		**0**	0
Payment for other assets		**0**	0
Proceeds from disposal of other assets		**0**	0
Net cash inflow/(outflow) from investing activities		**(49,153)**	(35,634)
Net cash inflow/(outflow) before financing		**(1,445,621)**	(1,373,593)
Cash Flows from financing activities			
Welsh Government funding (including capital)		**1,459,296**	1,385,684
Capital receipts surrendered		**0**	0
Capital grants received		**0**	0
Capital element of payments in respect of finance leases and on-SoFP PFI Schemes		**(9,461)**	(7,058)
Capital element of payments in respect of on-SoFP PFI		**0**	0
Capital element of payments in respect of Right of Use Assets		**(4,907)**	(4,413)
Cash transferred (to)/ from other NHS bodies		**0**	0
Net financing		**1,444,928**	1,374,213
Net increase/(decrease) in cash and cash equivalents		**(693)**	620
Cash and cash equivalents (and bank overdrafts) at 1 April 2025		**3,444**	2,824
Cash and cash equivalents (and bank overdrafts) at 31 March 2026		**2,751**	3,444

The notes on pages 8 to 76 form part of these accounts.

Notes to the Accounts

1. Accounting policies

The Minister for Health and Social Services has directed that the financial statements of Local Health Boards (LHBs) in Wales shall meet the accounting requirements of the NHS Wales Manual for Accounts. Consequently, the following financial statements have been prepared in accordance with the 2025-26 Manual for Accounts. The accounting policies contained in that manual follow the 2025-26 Financial Reporting Manual (FReM) in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, to the extent that they are meaningful and appropriate to the NHS in Wales.

Where the LHB Manual for Accounts permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the LHB for the purpose of giving a true and fair view has been selected. The particular policies adopted by the LHB are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

1.1. Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets and inventories.

1.2. Acquisitions and discontinued operations

Activities are considered to be ‘acquired’ only if they are taken on from outside the public sector. Activities are considered to be ‘discontinued’ only if they cease entirely. They are not considered to be ‘discontinued’ if they transfer from one public sector body to another.

1.3. Income and funding

The main source of funding for the LHBs are allocations (Welsh Government funding) from the Welsh Government within an approved cash limit, which is credited to the General Fund of the LHB. Welsh Government funding is recognised in the financial period in which the cash is received.

Non-discretionary funding outside the Revenue Resource Limit is allocated to match actual expenditure incurred for the provision of specific pharmaceutical, or ophthalmic services identified by the Welsh Government. Non-discretionary expenditure is disclosed in the accounts and deducted from operating costs charged against the Revenue Resource Limit.

Funding for the acquisition of fixed assets received from the Welsh Government is credited to the General Fund.

Miscellaneous income is income which relates directly to the operating activities of the LHB and is not funded directly by the Welsh Government. This includes payment for services uniquely provided by the LHB for the Welsh Government such as funding provided to agencies and non-activity costs incurred by the LHB in its provider role. Income received from LHBs transacting with other LHBs is always treated as miscellaneous income.

From 2018-19, IFRS 15 Revenue from Contracts with Customers has been applied, as interpreted and adapted for the public sector, in the FREM. It replaces the previous standards IAS 11 Construction Contracts and IAS 18 Revenue and related IFRIC and SIC interpretations. The potential amendments identified as a result of the adoption of IFRS 15 are significantly below materiality levels.

Income is accounted for applying the accruals convention. Income is recognised in the period in which services are provided. Where income had been received from third parties for a specific activity to be delivered in the following financial year, that income will be deferred. Only non-NHS income may be deferred.

1.4. Employee benefits

1.4.1. Short-term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of leave earned but not taken by employees at the end of the period is not recognised in the financial statements to the extent that employees arenot permitted to carry forward leave into the following period.

1.4.2. Retirement benefit costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: The cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

The Department of Health and Social Care (DHSC) 2023-24 consultation on the NHS Pension Scheme confirmed that the transitional approach that has operated since 2019-20 for employer contributions will continue in 2025-26. From 1st April 2024 an employer rate of 23.7% (23.78% inclusive of the administration charge) will apply. However, the NHS Business Services Authority will continue to only collect 14.38% from NHS Wales employers under their normal monthly payment process to the NHS Pension Scheme. This has a resulted in an increase in the central payments made by Welsh Government directly to the Pension Scheme administrator, the NHS Business Services Authority (BSA the NHS Pensions Agency) from 6.3% to 9.4%.

However, NHS Wales' organisations are required to account for their staff employer contributions of 23.78% in full and on a gross basis, in their annual accounts. Payments made on their behalf by Welsh Government are accounted for on a notional basis. For detailed information see the Other Note within these accounts.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to expenditure at the time the NHS Wales organisation commits itself to the retirement, regardless of the method of payment.

Where employees are members of the Local Government Superannuation Scheme, which is a defined benefit pension scheme this is disclosed. The scheme assets and liabilities attributable to those employees can be identified and are recognised in the NHS Wales organisation’s accounts. The assets are measured at fair value and the liabilities at the present value of the future obligations. The increase in the liability arising from pensionable service earned during the year is recognised within operating expenses. The expected gain during the year from scheme assets is recognised within finance income. The interest cost during the year arising from the unwinding of the discount on the scheme liabilities is recognised within finance costs.

1.4.3 PENSION COSTS

Past and present employees are covered by the provisions of the NHS Pension Schemes. Details of the benefits payable and rules of the schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years".

An outline of these follows:

a) Accounting valuation
A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2026, is based on valuation data as 31 March 2025, updated to 31 March 2026 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the Statement by the Actuary, which forms part of the annual NHS Pension Scheme Annual Report and Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation
The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from 1 April 2024 to 23.7% of pensionable pay. The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates.

1.4.4. NEST Pension Scheme

An alternative pensions scheme for employees not eligible to join the NHS Pensions scheme has to be offered. The NEST (National Employment Savings Trust) Pension scheme is a defined contribution scheme and therefore the cost to the NHS body of participating in the scheme is equal to the contributions payable to the scheme for the accounting period.

1.5. Other expenses

Other operating expenses for goods or services are recognised when, and to the extent that, they have been received. They are measured at the fair value of the consideration payable.

1.6. Property, plant and equipment

1.6.1. Recognition

Property, plant and equipment is capitalised if:

● it is held for use in delivering services or for administrative purposes;

● it is probable that future economic benefits will flow to, or service potential will be supplied to, the NHS Wales organisation;

● it is expected to be used for more than one financial year;

● the cost of the item can be measured reliably; and

● the item has cost of at least £5,000; or

● Collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or

● Items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

1.6.2. Valuation

All property, plant and equipment are measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

Land and buildings used for services or for administrative purposes are stated in the Statement of Financial Position (SoFP) at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Fair values are determined as follows:

● Land and non-specialised buildings – market value for existing use

● Specialised buildings – depreciated replacement cost

HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be valued. NHS Wales' organisations have applied these new valuation requirements from 1st April 2009.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

In 2022-23 a formal revaluation exercise was applied to land and properties. The carrying value of existing assets at that date will be written off over their remaining useful lives and new fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit should be taken to expenditure.

References in IAS 36 to the recognition of an impairment loss of a revalued asset being treated as a revaluation decrease to the extent that the impairment does not exceed the amount in the revaluation surplus for the same asset, are adapted such that only those impairment losses that do not result from a clear consumption of economic benefit or reduction of service potential (including as a result of loss or damage resulting from normal business operations) should be taken to the revaluation reserve. Impairment losses that arise from a clear consumption of economic benefit should be taken to the Statement of Comprehensive Net Expenditure (SoCNE).

From 2015-16, IFRS 13 Fair Value Measurement must be complied with in full. However, IAS 16 and IAS 38 have been adapted for the public sector context which limits the circumstances under which a valuation is prepared under IFRS 13. Assets which are held for their service potential and are in use should be measured at their current value in existing use. For specialised assets current value in existing use should be interpreted as the present value of the assets remaining service potential, which can be assumed to be at least equal to the cost of replacing that service potential. Where there is no single class of asset that falls within IFRS 13, disclosures should be for material items only.

In accordance with the adaptation of IAS 16 in table 6.2 of the FReM, for non-specialised assets in operational use, current value in existing use is interpreted as market value for existing use which is defined in the RICS Red Book as Existing Use Value (EUV).

Assets which were most recently held for their service potential but are surplus should be valued at current value in existing use, if there are restrictions on the NHS organisation or the asset which would prevent access to the market at the reporting date. If the NHS organisation could access the market then the surplus asset should be used at fair value using IFRS 13. In determining whether such an asset which is not in use is surplus, an assessment should be made on whether there is a clear plan to bring the asset back into use as an operational asset. Where there is a clear plan, the asset is not surplus and the current value in existing use should be maintained. Otherwise the asset should be assessed as being surplus and valued under IFRS13.

Assets which are not held for their service potential should be valued in accordance with IFRS 5 or IAS 40 depending on whether the asset is actively held for sale. Where an asset is not being used to deliver services and there is no plan to bring it back into use, with no restrictions on sale, and it does not meet the IAS 40 and IFRS 5 criteria, these assets are surplus and are valued at fair value using IFRS 13.

1.6.3. Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the asset to its original specification, the expenditure is capitalised and any carrying value of the item replaced is written-out and charged to the SoCNE. As highlighted in previous years the NHS in Wales does not have systems in place to ensure that all items being "replaced" can be identified and hence the cost involved to be quantified. The NHS in Wales has thus established a national protocol to ensure it complies with the standard as far as it is able to which is outlined in the capital accounting chapter of the Manual For Accounts. This dictates that to ensure that asset carrying values are not materially overstated, for All Wales Capital Schemes that are completed in a financial year, NHS Wales organisations are required to obtain a revaluation during that year (prior to them being brought into use) and also similar revaluations are needed for all Discretionary Building Schemes completed which have a spend greater than £0.5m. The write downs identified are then charged to operating expenses.

1.7. Intangible assets

1.7.1. Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the business or which arise from contractual or other legal rights. They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to, the NHS Wales organisation; where the cost of the asset can be measured reliably, and where the cost is at least £5,000.

Intangible assets acquired separately are initially recognised at fair value. Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset. Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

● the technical feasibility of completing the intangible asset so that it will be available for use.

● the intention to complete the intangible asset and use it.

● the ability to use the intangible asset.

● how the intangible asset will generate probable future economic benefits.

● the availability of adequate technical, financial and other resources to complete the intangible asset and use it.

● the ability to measure reliably the expenditure attributable to the intangible asset during its development.

1.7.2 Measurement

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the criteria above are initially met. Where no internally-generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred.

Following initial recognition, intangible assets are carried at fair value by reference to an active market, or, where no active market exists, at amortised replacement cost (modern equivalent assets basis), indexed for relevant price increases, as a proxy for fair value. Internally-developed software is held at historic cost to reflect the opposing effects of increases in development costs and technological advances.

1.8. Depreciation, amortisation and impairments

Freehold land, assets under construction and assets held for sale are not depreciated.

Otherwise, depreciation and amortisation are charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. The estimated useful life of an asset is the period over which the NHS Wales Organisation expects to obtain economic benefits or service potential from the asset. This is specific to the NHS Wales organisation and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. Assets held under finance leases are depreciated over the shorter of the lease term and estimated useful lives.

At each reporting period end, the NHS Wales organisation checks whether there is any indication that any of its tangible or intangible non-current assets have suffered an impairment loss. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually.

Impairment losses that do not result from a loss of economic value or service potential are taken to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to the SoCNE. Impairment losses that arise from a clear consumption of economic benefit are taken to the SoCNE. The balance on any revaluation reserve (up to the level of the impairment) to which the impairment would have been charged under IAS 36 are transferred to retained earnings. Right of use (ROU) asset impairments are reflected in ROU liability.

1.9. Research and Development

Research and development expenditure is charged to operating costs in the year in which it is incurred, except insofar as it relates to a clearly defined project, which can be separated from patient care activity and benefits there from can reasonably be regarded as assured. Expenditure so deferred is limited to the value of future benefits expected and is amortised through the SoCNE on a systematic basis over the period expected to benefit from the project.

1.10 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met when the sale is highly probable, the asset is available for immediate sale in its present condition and management is committed to the sale, which is expected to qualify for recognition as a completed sale,

within one year from the date of classification. Non-current assets held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Fair value is open market value including alternative uses.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the SoCNE. On disposal, the balance for the asset on the revaluation reserve, is transferred to the General Fund.

Property, plant and equipment that is to be scrapped or demolished does not qualify for recognition as held for sale. Instead it is retained as an operational asset and its economic life adjusted. The asset is derecognised when it is scrapped or demolished.

1.11 Leases

A lease is a contract or part of a contract that conveys the right to use an asset for a period of time in exchange for consideration.

IFRS 16 leases is effective across public sector from 1st April 2022. The transition to IFRS 16 has been completed in accordance with paragraph C5 (b) of the Standard, applying IFRS 16 requirements retrospectively recognising the cumulative effects at the date of initial application.

In the transition to IFRS 16 a number of elections and practical expedients offered in the standard have been employed. These are as follows: The entity has applied the practical expedient offered in the standard per paragraph C3 to apply IFRS 16 to contracts or arrangements previously identified as containing a lease under the previous leasing standards IAS 17 leases and IFRIC 4 determining whether an arrangement contains a lease and not to those that were identified as not containing a lease under previous leasing standards.

On initial application Swansea Bay University LHB has measured the right of use assets for leases previously classified as operating leases per IFRS 16 C8 (b)(ii), at an amount equal to the lease liability adjusted for accrued or prepaid lease payments.

No adjustments have been made for operating leases in which the underlying asset is of low value per paragraph C9 (a) of the standard.

The transitional provisions have not been applied to operating leases whose terms end within 12 months of the date of initial application per paragraph C10 (c) of IFRS 16.

Hindsight is used to determine the lease term when contracts or arrangements contain options to extend or terminate the lease in accordance with C10 (e) of IFRS 16.

Due to transitional provisions employed the requirements for identifying a lease within paragraphs 9 to 11 of IFRS 16 are not employed for leases in existence at the initial date of application. Leases entered into on or after the 1st April 2022 will be assessed under the requirements of IFRS 16.

There are further expedients or election that have been employed by Swansea Bay University LHB in applying IFRS 16.

These include:

- the measurement requirements under IFRS 16 are not applied to leases with a term of 12 months or less under paragraph 5 (a) of IFRS 16
- the measurement requirements under IFRS 16 are not applied to leases where the underlying asset is of a low value which are identified as those assets of a value of less than £5,000, excluding any irrecoverable VAT, under paragraph 5 (b) of IFRS 16

Swansea Bay University LHB will not apply IFRS 16 to any new leases of intangible assets, applying the

List any other expedients employed by the entity (such as low value 5(b) or 15 on componentisation HM Treasury have adapted the public sector approach to IFRS 16 which impacts on the identification and measurement of leasing arrangements that will be accounted for under IFRS 16.

The LHB is required to apply IFRS 16 to lease like arrangements entered into with other public sector entities that are in substance akin to an enforceable contract, that in their formal legal form may not be enforceable. Prior to accounting for such arrangements under IFRS 16 Swansea Bay University LHB has assessed that in all other respects these arrangements meet the definition of a lease under the standard.

Swansea Bay University LHB is required to apply IFRS 16 to lease like arrangements entered into in which consideration exchanged is nil or nominal, therefore significantly below market value. These arrangements are described as peppercorn leases. Such arrangements are again required to meet the definition of a lease in every other respect prior to inclusion in the scope of IFRS 16. The accounting for peppercorn arrangements aligns to that identified for donated assets. Peppercorn leases are different in substance to arrangements in which consideration is below market value but not significantly below market value.

The nature of the accounting policy change for the lessee is more significant than for the lessor under IFRS 16. IFRS 16 introduces a singular lessee approach to measurement and classification in which lessees recognise a right of use asset.

For the lessor leases remain classified as finance leases when substantially all the risks and rewards incidental to ownership of an underlying asset are transferred to the lessee. When this transfer does not occur, leases are classified as operating leases.

1.11.1 Swansea Bay University LHB as lessee

At the commencement date for the leasing arrangement a lessee shall recognise a right of use asset and corresponding lease liability. The LHB employs a revaluation model for the subsequent measurement of its right of use assets unless cost is considered to be an appropriate proxy for current value in existing use or fair value in line with the accounting policy for owned assets. Where consideration exchanged is identified as below market value, cost is not considered to be an appropriate proxy to value the right of use asset.

Irrecoverable VAT is expensed in the period to which it relates and therefore not included in the measurement of the lease liability and consequently the value of the right of use asset.

The incremental borrowing rate of 0.95% has been applied to the lease liabilities recognised at the date of initial application of IFRS 16.

Where changes in future lease payments result from a change in an index or rate or rent review, the lease liabilities are remeasured using an unchanged discount rate.

Where there is a change in a lease term or an option to purchase the underlying asset the LHB applies a revised rate to the remaining lease liability.

Where existing leases are modified the LHB must determine whether the arrangement constitutes a separate lease and apply the standard accordingly.

Lease payments are recognised as an expense on a straight-line or another systematic basis over the lease term, where the lease term is in substance 12 months or less, or is elected as a lease containing low value underlying asset by the LHB.

1.11.2 Swansea Bay University LHB as lessor

A lessor shall classify each of its leases as an operating or finance lease. A lease is classified as finance lease when the lease substantially transfers all the risks and rewards incidental to ownership of an underlying asset. Where substantially all the risks and rewards are not transferred, a lease is classified as an operating lease.

Amounts due from lessees under finance leases are recorded as receivables at the amount of the LHB's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the LHB's net investment outstanding in respect of the leases.

Income from operating leases is recognised on a straight-line or another systematic basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Where Swansea Bay University LHB is an intermediate lessor, being a lessor and a lessee regarding the same underlying asset, classification of the sublease is required to be made by the intermediate lessor considering the term of the arrangement and the nature of the right of use asset arising from the head lease.

On transition Swansea Bay University LHB has reassessed the classification of all of its continuing subleasing arrangements to include peppercorn leases.

1.12. Inventories

Whilst it is accounting convention for inventories to be valued at the lower of cost and net realisable value using the weighted average or "first-in first-out" cost formula, it should be recognised that the NHS is a special case in that inventories are not generally held for the intention of resale and indeed there is no market readily available where such items could be sold. Inventories are valued at cost and this is considered to be a reasonable approximation to fair value due to the high turnover of stocks. Work-in-progress comprises goods in intermediate stages of production. Partially completed contracts for patient services are not accounted for as work-in-progress.

1.13. Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in three months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. In the Statement of Cash flows (SoCF), cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the cash management.

1.14. Provisions

Provisions are recognised when the LHB has a present legal or constructive obligation as a result of a past event, it is probable that the LHB will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using the discount rate supplied by HM Treasury.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the LHB has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

A restructuring provision is recognised when the LHB has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with ongoing activities of the entity.

1.14.1. Clinical negligence and personal injury costs

The Welsh Risk Pool Services (WRPS) operates a risk pooling scheme which is co-funded by the Welsh Government with the option to access a risk sharing agreement funded by the participative NHS Wales bodies. The risk sharing option was implemented in both 2024-25 and 2025-26. The WRPS is hosted by Velindre University NHS Trust.

1.14.2. Future Liability Scheme (FLS) - General Medical Practice Indemnity (GMPI)

The FLS is a state backed scheme to provide clinical negligence General Medical Practice Indemnity (GMPI) for providers of GMP services in Wales.

In March 2019, the Minister issued a Direction to Velindre University NHS Trust to enable Legal and Risk Services to operate the Scheme. The GMPI is underpinned by new secondary legislation, The NHS (Clinical Negligence Scheme) (Wales) Regulations 2019 which came into force on 1st April 2019.

GMP Service Providers are not direct members of the GMPI FLS, their qualifying liabilities are the subject of an arrangement between them and their relevant LHB, which is a member of the scheme. The qualifying reimbursements to the LHB are not subject to the £25,000 excess.

1.15. Financial Instruments

From 2018-19 IFRS 9 Financial Instruments has applied, as interpreted and adapted for the public sector, in the FReM. The principal impact of IFRS 9 adoption by NHS Wales' organisations, was to change the calculation basis for bad debt provisions, changing from an incurred loss basis to a lifetime expected credit loss (ECL) basis.

All entities applying the FReM recognised the difference between previous carrying amount and the carrying amount at the beginning of the annual reporting period that included the date of initial application in the opening general fund within Taxpayer's equity.

1.16. Financial assets

Financial assets are recognised on the SoFP when the LHB becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

The accounting policy choice allowed under IFRS 9 for long term trade receivables, contract assets which do contain a significant financing component (in accordance with IFRS 15), and lease receivables within the scope of IAS 17 has been withdrawn and entities should always recognise a loss allowance at an amount equal to lifetime Expected Credit Losses. All entities applying the FReM should utilise IFRS 9's simplified approach to impairment for relevant assets.

IFRS 9 requirements required a revised approach for the calculation of the bad debt provision, applying the principles of expected credit loss, using the practical expedients within IFRS 9 to construct a provision matrix.

1.16.1. Financial assets are initially recognised at fair value

Financial assets are classified into the following categories: financial assets 'at fair value through SoCNE'; 'held to maturity investments'; 'available for sale' financial assets, and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

1.16.2. Financial assets at fair value through SoCNE

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial assets at fair value through SoCNE. They are held at fair value, with any resultant gain or loss recognised in the SoCNE. The net gain or loss incorporates any interest earned on the financial asset.

1.16.3 Held to maturity investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity, and there is a positive intention and ability to hold to maturity. After initial recognition, they are held at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

1.16.4. Available for sale financial assets

Available for sale financial assets are non-derivative financial assets that are designated as available for sale or that do not fall within any of the other three financial asset classifications. They are measured at fair value with changes in value taken to the revaluation reserve, with the exception of impairment losses. Accumulated gains or losses are recycled to the SoCNE on de-recognition.

1.16.5. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. After initial recognition, they are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

Fair value is determined by reference to quoted market prices where possible, otherwise by valuation techniques.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to the net carrying amount of the financial asset.

At the SOFP date, Swansea Bay University LHB assesses whether any financial assets, other than those held at 'fair value through profit and loss' are impaired. Financial assets are impaired and impairment losses recognised if there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the SoCNE and the carrying amount of the asset is reduced directly, or through a provision of impairment of receivables.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the SoCNE to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

1.17. Financial liabilities

Financial liabilities are recognised on the SOFP when Swansea Bay University LHB becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired.

1.17.1. Financial liabilities are initially recognised at fair value

Financial liabilities are classified as either financial liabilities at fair value through the SoCNE or other financial liabilities.

1.17.2. Financial liabilities at fair value through the SoCNE

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial liabilities at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in the SoCNE. The net gain or loss incorporates any interest earned on the financial asset.

1.17.3. Other financial liabilities

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the net carrying amount of the financial liability. Interest is recognised using the effective interest method.

1.18. Value Added Tax (VAT)

Most of the activities of the NHS Wales organisation are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.19. Foreign currencies

Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. Resulting exchange gains and losses are taken to the SoCNE. At the SoFP date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date.

1.20. Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the NHS Wales organisation has no beneficial interest in them. Details of third party assets are given in the Notes to the accounts.

1.21. Losses and Special Payments

Losses and special payments are items that the Welsh Government would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way each individual case is handled.

Losses and special payments are charged to the relevant functional headings in the SoCNE on an accruals basis, including losses which would have been made good through insurance cover had the LHB not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure). However, the note on losses and special payments is compiled directly from the losses register which is prepared on a cash basis.

Swansea Bay University LHB accounts for all losses and special payments gross (including assistance from the WRP).

Swansea Bay University LHB accrues or provides for the best estimate of future pay-outs for certain liabilities and discloses all other potential payments as contingent liabilities, unless the probability of the liabilities becoming payable is remote.

All claims for losses and special payments are provided for where the probability of settlement of an individual claim is over 50%. Where reliable estimates can be made, incidents of clinical negligence against which a claim has not, as yet, been received are provided in the same way. Expected reimbursements from the WRP are included in debtors. For those claims where the probability of settlement is between 5- 50%, the liability is disclosed as a contingent liability.

1.22. Pooled budgets

Swansea Bay University LHB has entered into pooled budgets with the City and County of Swansea and Neath Port Talbot County Borough Council Local Authorities. Under the arrangements funds are pooled in accordance with section 33 of the NHS (Wales) Act 2006 for specific activities defined in the Pooled budget Note.

The pool budget is hosted by the City and County of Swansea. Payments for services provided are accounted for as miscellaneous income. Swansea Bay University LHB accounts for its share of the assets, liabilities, income and expenditure from the activities of the pooled budget, in accordance with the pooled budget arrangement.

1.23. Critical Accounting Judgements and key sources of estimation uncertainty

In the application of the accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. The estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or the period of the revision and future periods if the revision affects both current and future periods.

1.24. Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the SoFP date, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Significant estimations are made in relation to on-going clinical negligence and personal injury claims. Assumptions as to the likely outcome, the potential liabilities and the timings of these litigation claims are provided by independent legal advisors. Any material changes in liabilities associated with these claims would be recoverable through the Welsh Risk Pool.

Significant estimations are also made for continuing care costs resulting from claims post 1st April 2003. An assessment of likely outcomes, potential liabilities and timings of these claims are made on a case by case basis. Material changes associated with these claims would be adjusted in the period in which they are revised.

Estimates are also made for contracted primary care services. These estimates are based on the latest payment levels. Changes associated with these liabilities are adjusted in the following reporting period.

1.24.1. Provisions

Swansea Bay University LHB provides for legal or constructive obligations for clinical negligence, personal injury and defence costs that are of uncertain timing or amount at the balance sheet date on the basis of the best estimate of the expenditure required to settle the obligation.

Claims are funded via the Welsh Risk Pool Services (WRPS) which receives an annual allocation from Welsh Government to cover the cost of reimbursement requests submitted to the bi-monthly WRPS Committee. Following settlement to individual claimants by Swansea Bay University LHB, the full cost is recognised in year and matched to income (less a £25K excess) via a WRPS debtor, until reimbursement has been received from the WRPS Committee.

1.24.2. Probable & Certain Cases – Accounting Treatment

A provision for these cases is calculated in accordance with IAS 37. Cases are assessed and divided into four categories according to their probability of settlement;

Remote	Probability of Settlement	0 – 5%
	Accounting Treatment	Remote Contingent Liability.
Possible	Probability of Settlement	6% - 49%
	Accounting Treatment	Defence Fee - Provision *
		Contingent Liability for all other estimated expenditure
Probable	Probability of Settlement	50% - 94%
	Accounting Treatment	Full Provision
Certain	Probability of Settlement	95% - 100%
	Accounting Treatment	Full Provision

** Personal injury cases - Defence fee costs are provided for at 100%.*

The provision for probable and certain cases is based on case estimates of individual reported claims received by Legal & Risk Services within NHS Wales Shared Services Partnership.

The solicitor will estimate the case value including defence fees, using professional judgement and from obtaining counsel advice. Valuations are then discounted for the future loss elements using individual life expectancies and the Government Actuary's Department actuarial tables (Ogden tables) and Personal Injury Discount Rate of 0.5%.

Future liabilities for certain & probable cases with a probability of 95%-100% and 50%- 94% respectively are held as a provision on the balance sheet. Cases typically take a number of years to settle, particularly for high value cases where a period of development is necessary to establish the full extent of the injury

1.24.3 Primary Care Expenditure

As in previous years, due to the short timescale available to prepare the year end accounts, the primary care expenditure disclosed contains a number of significant estimates where the value of the actual liabilities was not available prior to the date for accounts submission, the most material areas being:

General Medical Services Quality and Assurance Improvement Framework (QAIF)
From 1st October 2019, QAIF was introduced as part of the 2019/20 GMS contract reform, replacing the quality and outcomes framework. Under both schemes, GP Practices achieve a certain level of points and these are multiplied by a financial value per point to establish the payments due.

Clinical QAIF domains transferred into Core contract from 1 October 2022, resulting in a transfer of funding into Global Sum (GSUM). This quantum represents full achievement in all indicators for all practices moving into total GSUM and then distributed to practices via the Carr-Hill formula. The removal of Assurance indicators from the framework means that QAIF has become QIF (Quality Improvement Framework).

The points that are remaining in the Quality Improvement domains, namely Access (100 pts) and the newly drafted mandatory QI projects (170 pts), were revalued at £206.96 per point for 2025/26.

This compares to the 2021/22 points of Access (125 pts) and QI projects (185 pts) and QA projects (382 pts).

An amount has therefore been accrued on the basis of the number of points achieved by each GP Practice in 2025/26 capped at 270 points payable at £206.96 per point.

1.24.4 Prescribing Costs

For 2025/26, the Health Board has used the accrual methodology used in previous years, and will accrue prescribing costs for the months of February and March 2026.

The costs are derived using the average daily charge for the 4 month period October to January to calculate an average weighted daily run rate for prescribing. This weighted daily run rate is based on 50% calendar days in the month and 50% prescribing days in the month. This average cost is then applied to the number of days in February and March to arrive at an amount for accrual.

As in previous years, this amount will then be reviewed to take into account the estimated impact of of the growth factor that was seen previously at the latter end of 2024/25.

1.24.5 Pharmacy

As in prior years, the run rate for November to January will be used to accrue for February and March due to several changes to the fees and allowances within the pharmacy contract from April to October.

This approach will be used again for 2025-26 with estimated adjustments made for the increase in contract price per item for February and March 2026.

1.25 Discount Rates

Where discount is applied, a disclosure detailing the impact of the discounting on liabilities to be included for the relevant notes. The disclosure should include where possible undiscounted values to demonstrate the impact. An explanation of the source of the discount rate or how the discount rate has been determined to be included.

1.26 Private Finance Initiative (PFI) transactions

HM Treasury has determined that government bodies shall account for infrastructure PFI schemes where the government body controls the use of the infrastructure and the residual interest in the infrastructure at the end of the arrangement as service concession arrangements, following the principles of the requirements of IFRIC 12. The LHB therefore recognises the PFI asset as an item of property, plant and equipment together with a liability to pay for it. The services received under the contract are recorded as operating expenses.

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:

a) Payment for the fair value of services received;

b) Payment for the PFI asset, including finance costs; and

c) Payment for the replacement of components of the asset during the contract 'lifecycle replacement'.

1.26.1. Services received

The fair value of services received in the year is recorded under the relevant expenditure headings within 'operating expenses'.

1.26.2. PFI asset

The PFI assets are recognised as property, plant and equipment, when they come into use. The assets are measured initially at fair value in accordance with the principles of IAS 17. Subsequently, the assets are measured at fair value, which is kept up to date in accordance with the LHB's approach for each relevant class of asset in accordance with the principles of IAS 16.

1.26.3. PFI liability

A PFI liability is recognised at the same time as the PFI assets are recognised.

Prior year treatment

It is measured initially at the same amount as the fair value of the PFI assets and is subsequently measured as a finance lease liability in accordance with IAS 17.

An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period, and is charged to 'Finance Costs' within the SoCNE.

The element of the annual unitary payment that is allocated as a finance lease rental is applied to meet the annual finance cost and to repay the lease liability over the contract term.

An element of the annual unitary payment increase due to cumulative indexation is allocated to the finance lease. In accordance with IAS 17, this amount is not included in the minimum lease payments, but is instead treated as contingent rent and is expensed as incurred. In substance, this amount is a finance cost in respect of the liability and the expense is presented as a contingent finance cost in the SoCNE.

1.26.4 Impact of IFRS 16 on on-balance sheet PFI/PPP Schemes as from 1st April 2023.

On-balance sheet PPP arrangements should be based on IFRS 16 accounting principles from 2023-24.

When measuring the liability for on-balance sheet PPP contracts containing capital payments linked to a price index IFRS 16 requires that a lessee shall remeasure the lease liability where there is a change in future lease payments resulting from a change in an index or a rate used to determine those payments. The lessee shall remeasure the lease liability to reflect those revised lease payments only when there is a change in the cash flows.

Initial remeasurement - the future PPP liability will need to be remeasured at 1st April 2023 to include the actual indexation-linked changes to payments for the capital/infrastructure element which have taken effect in the cash flows since the PPP agreement commenced. This should use a cumulative catch-up approach, where the cumulative effect is recognised as an adjustment to the opening balance of retained earnings.

Subsequent measurement - The PPP liability will continue to require remeasurements whenever cash payments change in response to indexation movements as set out in the individual PPP contract. The double entry for the subsequent liability remeasurement should be Debit Finance Cost, Credit PPP liability.

The liability does not include estimated future indexation linked increases.

1.26.5. Lifecycle replacement

Components of the asset replaced by the operator during the contract ('lifecycle replacement') are capitalised where they meet the LHB's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are measured initially at their fair value.

The element of the annual unitary payment allocated to lifecycle replacement is pre-determined for each year of the contract from the operator's planned programme of lifecycle replacement. Where the lifecycle component is provided earlier or later than expected, a short-term finance lease liability or prepayment is recognised respectively.

Where the fair value of the lifecycle component is less than the amount determined in the contract, the difference is recognised as an expense when the replacement is provided. If the fair value is greater than the amount determined in the contract, the difference is treated as a 'free' asset and a deferred income balance is recognised. The deferred income is released to the operating income over the shorter of the remaining contract period or the useful economic life of the replacement component.

1.26.6. Assets contributed by the LHB to the operator for use in the scheme

Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the LHB's SoFP.

1.26.7. Other assets contributed by the LHB to the operator

Assets contributed (e.g. cash payments, surplus property) by the LHB to the operator before the asset is brought into use, which are intended to defray the operator's capital costs, are recognised initially as prepayments during the construction phase of the contract. Subsequently, when the asset is made available to the LHB, the prepayment is treated as an initial payment towards the finance lease liability and is set against the carrying value of the liability.

A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured at the present value of the minimum lease payments, discounted using the implicit interest rate. It is subsequently measured as a finance lease liability in accordance with IAS 17.

On initial recognition of the asset, the difference between the fair value of the asset and the initial liability is recognised as deferred income, representing the future service potential to be received by the NHS Wales organisation through the asset being made available to third party users.

1.27. Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the LHB, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the LHB. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingencies are disclosed at their present value.
Remote contingent liabilities are those that are disclosed under Parliamentary reporting requirements and not under IAS 37 and, where practical, an estimate of their financial effect is required.

1.28. Absorption accounting

Transfers of function are accounted for as either by merger or by absorption accounting dependent upon the treatment prescribed in the FReM. Absorption accounting requires that entities account for their transactions in the period in which they took place with no restatement of performance required.

Where transfer of function is between LHBs the gain or loss resulting from the assets and liabilities transferring is recognised in the SoCNE and is disclosed separately from the operating costs.

1.29. Accounting standards that have been issued but not yet been adopted

The following accounting standards have been issued and or amended by the IASB and IFRIC but have not been adopted because they are not yet required to be adopted by the FReM

IFRS14 Regulatory Deferral Accounts - Not UK endorsed. Applies to first time adopters of IFRS after 1st January 2016. Therefore not applicable.

IFRS 18 Presentation and Disclosure in Financial Statements - Application required for accounting periods beginning on or after 1st January 2027. Standard is not yet UK endorsed and not yet adopted by the FReM. Early adoption is not permitted.

IFRS 19 Subsidiaries without Public Accountability: Disclosures - Application required for accounting periods beginning on or after 1st January 2027. Standard is not yet UK endorsed and not yet adopted by the FReM. Early adoption is not permitted.

1.30. Accounting standards issued that have been adopted early

During 2025-26 there have been no accounting standards that have been adopted early. All early adoption of accounting standards will be led by HM Treasury.

1.31. Charities

Following Treasury's agreement to apply IAS 27 to NHS Charities from 1 April 2013, Swansea Bay University LHB has established that as it is the corporate trustee of the Swansea Bay University LHB NHS Charitable Fund, it is considered for accounting standards compliance to have control of the Swansea Bay University LHB NHS Charitable Fund as a subsidiary. The determination of control is an accounting standard test of control and there has been no change to the operation of the Swansea Bay University LHB NHS Charitable Fund or its independence in its management of charitable funds.

Whilst there is a requirement to consolidate the results of the Swansea Bay University LHB NHS Charitable Fund within the statutory accounts of the LHB, Swansea Bay University LHB has with the agreement of the Welsh Government adopted the IAS 27 (10) exemption to consolidate.

Welsh Government as the ultimate parent of the Local Health Boards will disclose the Charitable Accounts of Local Health Boards in the Welsh Government Consolidated Accounts.

Details of the transactions with the charity are included in the related parties' notes.

2. Financial Duties Performance

The National Health Service Finance (Wales) Act 2014 came into effect from 1st April 2014. The Act amended the financial duties of Local Health Boards under section 175 of the National Health Service (Wales) Act 2006. From 1st April 2014 section 175 of the National Health Service (Wales) Act places two financial duties on Local Health Boards:

- A duty under section 175 (1) to secure that its expenditure does not exceed the aggregate of the funding allotted to it over a period of 3 financial years;
- A duty under section 175 (2A) to prepare a plan in accordance with planning directions issued by the Welsh Ministers, to secure compliance with the duty under section 175 (1) while improving the health of the people for whom it is responsible, and the provision of health care to such people, and for that plan to be submitted to and approved by the Welsh Ministers.

The first assessment of performance against the 3 year statutory duty under section 175 (1) was at the end of 2016-17, being the first 3 year period of assessment.

Welsh Health Circular WHC/2016/054 "Statutory and Financial Duties of Local Health Boards and NHS Trusts" clarifies the statutory financial duties of NHS Wales bodies effective from 2016-17.

2.1 Revenue Resource Performance

	Annual financial performance			
	2023-24	**2024-25**	**2025-26**	**Total**
	£000	**£000**	**£000**	**£000**
Net operating costs for the year	1,282,337	1,420,276	1,467,808	**4,170,421**
Less general ophthalmic services expenditure and other non-cash limited expenditure	1,562	833	615	**3,010**
Less unfunded revenue consequences of bringing PFI schemes onto SoFP	(2,711)	(3,352)	261	**(5,802)**
Less any non funded revenue consequences of IFRS 16	0	0	0	**0**
Total operating expenses	1,281,188	1,417,757	1,468,684	**4,167,629**
Revenue Resource Allocation	1,264,375	1,375,303	1,415,523	**4,055,201**
Under /(over) spend against Allocation	**(16,813)**	**(42,454)**	**(53,161)**	**(112,428)**

Swansea Bay University LHB has not met its financial duty to break-even against its Revenue Resource Limit over the 3 years 2023-24 to 2025-26.

The Health Board received £55m Strategic cash support and £19.28m of Working Capital cash support from Welsh Government during 2025-26. This support has been provided by Welsh Government to assist the Health Board with making payments to staff and suppliers; there is no requirement for this funding to be repaid.

2.2 Capital Resource Performance

	2023-24	**2024-25**	**2025-26**	**Total**
	£000	**£000**	**£000**	**£000**
Gross capital expenditure	64,390	56,723	58,106	**179,219**
Add: Losses on disposal of donated assets	0	0	43	**43**
Less NBV on disposal of property, plant and equipment, right of use and intangible assets	(399)	(654)	(1,564)	**(2,617)**
Adjustment for transfers (to)/from NHS Trusts	0	0	0	**0**
Less capital grants received	0	(983)	(151)	**(1,134)**
Less donations received	(259)	(331)	(275)	**(865)**
Less IFRS16 Peppercorn income	0	0	0	**0**
Less **initial recognition** of RoU Asset Dilapidations	0	(852)	(255)	**(1,107)**
Charge against Capital Resource Allocation	63,732	53,903	55,904	**173,539**
Capital Resource Allocation	63,787	53,964	55,953	**173,704**
(Over) / Underspend against Capital Resource Allocation	**55**	**61**	**49**	**165**

Swansea Bay University LHB has met its financial duty to break-even against its Capital Resource Limit over the 3 years 2023-24 to 2025-26.

2.3 Duty to prepare a 3 year integrated plan

The NHS Wales Planning Framework for the period 2025-2028 issued to LHBs placed a requirement upon them to prepare and submit Integrated Medium Term Plans to the Welsh Government which sets out its strategy for securing that it complies with its 'break even' duty, whilst improving the health of the people for whom it is responsible and the provision of healthcare to such people.

The Swansea Bay LHB did not submit an Integrated Medium Term Plan for the period 2025-2028 in accordance with section 175(2) of the National Health Service (Wales) Act 2006 (as amended by NHS Finance (Wales) Act 2014) and the NHS Wales Planning Framework.

As the LHB was unable to submit a balanced integrated medium-term plan in accordance with NHS Wales Planning Framework the Board submitted an Annual Plan for 2025-26 on 31st March 2025. This plan did not include a break-even position. A response to the Annual Plan was published by Welsh Government on 11th April 2025. Through May, June and July the Health Board was in regular correspondence with Welsh Government on the Annual Plan.

With the support of Welsh Government, the Health Board commissioned External Strategic Support focusing on 9 key deliverables, but for 2025-26 the key focus was on the identification and delivery of savings. Throughout 2025-26 the LHB worked with WG and its external partner to identify options to address savings target set out within the annual plan and in September a formal update was provided to Welsh Government aligned to the paper presented at the Special Board on 11 September. Work continued throughout the remainder of 2025-26 on this issue of savings delivery.
However, the LHB has been unable to meet its statutory duty to have an approved financial plan.

The Minister for Health and Social Services extant approval

Status	
Date	Not Approved

Swansea Bay LHB has not therefore met its statutory duty to have an approved financial plan.

2.4 Creditor payment

The LHB is required to pay 95% of the number of non-NHS bills within 30 days of receipt of goods or a valid invoice (whichever is the later). The LHB has achieved the following results:

	2025-26	2024-25
Total number of non-NHS bills paid	**279,381**	297,249
Total number of non-NHS bills paid within target	**269,486**	282,501
Percentage of non-NHS bills paid within target	96.5%	95.0%

The LHB has met the target.

3. Analysis of gross operating costs

3.1 Expenditure on Primary Healthcare Services

	Cash limited £000	Non-cash limited £000	2025-26 Total £000	2024-25 Total £000
General Medical Services	80,827		80,827	80,023
Pharmaceutical Services	26,089	(6,724)	19,365	19,536
General Dental Services	32,549		32,549	31,392
General Ophthalmic Services	3,584	6,109	9,693	8,181
Other Primary Health Care expenditure	11,045		11,045	3,316
Prescribed drugs and appliances	89,401		89,401	85,101
Total	**243,495**	**(615)**	**242,880**	227,549

Return of excess funds from primary care contractors are included in the figures above

Included within other notes to the accounts			
Additional Primary Care Expenditure	Positive	0	0
Additional Primary Care Income	Negative	(5,329)	(5,294)
Overall total		**237,551**	222,255

3.2 Expenditure on healthcare from other providers

	2025-26 £000	2024-25 £000
Goods and services from other NHS Wales Health Boards	**32,138**	36,072
Goods and services from other NHS Wales Trusts	**9,123**	9,556
Goods and services from Welsh Special Health Authorities	**1,862**	2,102
Goods and services from other non Welsh NHS bodies	**1,985**	1,269
Goods and services from NHSW JCC	**158,511**	146,913
Local Authorities	**14,668**	18,871
Voluntary organisations	**9,392**	7,297
NHS Funded Nursing Care	**10,298**	10,039
Continuing Care	**99,732**	92,132
Private providers	**8,968**	10,778
Specific projects funded by the Welsh Government	**0**	0
Other	**677**	596
Total	**347,354**	335,625

3.3 Expenditure on Hospital and Community Health Services

	2025-26	2024-25
	£000	£000
Directors' costs	2,198	2,548
Operational Staff costs	875,587	826,855
Single lead employer Staff Trainee Cost	46,665	44,947
Collaborative Bank Staff Cost	(2)	0
Supplies and services - clinical	183,342	181,653
Supplies and services - general	13,415	11,628
Consultancy Services	3,447	678
Establishment	20,677	20,423
Transport	1,806	1,353
Premises	34,182	34,032
External Contractors	6,326	4,879
Depreciation	36,751	33,830
Depreciation Right of Use assets (RoU)	5,511	4,965
Amortisation	952	1,433
Fixed asset impairments and reversals (Property, plant & equipment)	(19,378)	8,840
Fixed asset impairments and reversals (RoU Assets)	0	0
Fixed asset impairments and reversals (Intangible assets)	0	0
Impairments & reversals of financial assets	0	0
Impairments & reversals of non-current assets held for sale	0	0
Audit fees	462	410
Other auditors' remuneration	0	0
Losses, special payments and irrecoverable debts	7,050	(3,704)
Research and Development	6,160	5,465
Expense related to short-term leases	0	0
Expense related to low-value asset leases (excluding short-term leases)	0	0
Other operating expenses	(803)	(2,046)
Total	**1,224,348**	1,178,189

3.4 Losses, special payments and irrecoverable debts: charges to operating expenses

	2025-26	2024-25
Increase/(decrease) in provision for future payments:	**£000**	£000
Clinical negligence;		
Secondary care	**40,325**	18,822
Primary care	**1,904**	2,009
Redress Secondary Care	**615**	984
Redress Primary Care	**0**	0
Personal injury	**670**	976
All other losses and special payments	**4,184**	55
Defence legal fees and other administrative costs	**2,064**	837
Gross increase/(decrease) in provision for future payments	**49,762**	**23,683**
Contribution to Welsh Risk Pool	0	0
Premium for other insurance arrangements	0	0
Irrecoverable debts	0	0
Less: income received/due from Welsh Risk Pool	(42,712)	(27,387)
Total	**7,050**	(3,704)

	2025-26	2024-25
	£	£
Permanent injury included within personal injury £:	2,000	(420,000)

4. Miscellaneous Income

	2025-26 £000	2024-25 £000
Local Health Boards	109,550	107,585
NHSW Joint Commissioning Committee	163,011	151,170
NHS Wales trusts	10,745	8,883
Welsh Special Health Authorities	24,272	20,497
Foundation Trusts	0	0
Other NHS England bodies	2,815	2,856
Other NHS Bodies	0	4
Local authorities	7,557	6,983
Welsh Government	1,440	1,520
Welsh Government Hosted bodies	0	0
Non NHS:		
Prescription charge income	0	0
Dental fee income	3,250	3,185
Private patient income	1,032	741
Overseas patients (non-reciprocal)	413	394
Injury Costs Recovery (ICR) Scheme	1,057	1,007
Other income from activities	3,712	2,940
Patient transport services	0	0
Education, training and research	9,497	9,425
Charitable and other contributions to expenditure	276	469
Receipt of NWSSP Covid centrally purchased assets	0	0
Receipt of Covid centrally purchased assets from other organisations	0	0
Receipt of donated assets	274	332
Receipt of Government granted assets	151	983
Right of Use Grant (Peppercorn Lease)	0	175
Non-patient care income generation schemes	1,518	669
NHS Wales Shared Services Partnership (NWSSP)	0	0
Deferred income released to revenue	199	154
Right of Use Asset Sub-leasing rental income	0	0
Contingent rental income from finance leases	0	0
Rental income from operating leases	304	44
Other income:		
Provision of laundry, pathology, payroll services	341	351
Accommodation and catering charges	2,897	3,152
Mortuary fees	241	171
Staff payments for use of cars	7,297	5,888
Business Unit	0	0
Scheme Pays Reimbursement Notional	(123)	(123)
Other	1,464	812
Total	**353,190**	330,267
Other income Includes;		
Grant income	29	12
Pharmacy and other sales income	13	39
Clinical trial income	249	163
All other income	1,173	598
Licence Fee Income	0	0
Total	**1,464**	812

Injury Cost Recovery (ICR) Scheme income

	2025-26 %	2024-25 %
To reflect expected rates of collection ICR income is subject to a provision for impairment of:	24.62	24.45

5. Investment Revenue

	2025-26 £000	2024-25 £000
Rental revenue :		
PFI Finance lease income		
planned	0	0
contingent	0	0
Other finance lease revenue	0	0
Interest revenue :		
Bank accounts	0	0
Other loans and receivables	0	0
Impaired financial assets	0	0
Other financial assets	0	0
Total	**0**	0

6. Other gains and losses

	2025-26 £000	2024-25 £000
Gain/(loss) on disposal of property, plant and equipment	(40)	(107)
Gain/(loss) on disposal other than by sale of right of use assets	0	(1)
Gain/(loss) on disposal of intangible assets	0	0
Gain/(loss) on disposal of assets held for sale	0	5
Gain/(loss) on disposal of financial assets	6	0
Change on foreign exchange	0	0
Change in fair value of financial assets at fair value through SoCNE	0	0
Change in fair value of financial liabilities at fair value through SoCNE	0	0
Recycling of gain/(loss) from equity on disposal of financial assets held for sale	0	0
Total	(34)	(103)

7. Finance costs

	2025-26 £000	2024-25 £000
Interest on loans and overdrafts	0	0
Interest on obligations under finance leases	0	0
Interest on obligations under Right of Use Leases	1,209	991
Interest on obligations under PFI contracts;		
main finance cost	3,187	3,527
contingent finance cost	0	0
Impact of IFRS 16 on PPP/PFI contracts	1,879	4,450
Interest on late payment of commercial debt	0	0
Other interest expense	0	0
Total interest expense	**6,275**	8,968
Provisions unwinding of discount	107	109
Other finance costs	0	0
Total	**6,382**	9,077

8. Future charges to Statement of Comprehensive Net Expenditure (SoCNE)

LHB as lessee

As at 31st March 2026 the Health Board had 455 leases agreements in place; 311 arrangements in respect of equipment, 133 in respect of vehicles.and 11 in respect of land and buildings.

The periods in which the remaining agreements will expire are shown below:

	2025-26 Low Value & Short Term	2025-26 Other	2025-26 Total	2024-25 Total
Payments recognised as an expense				
	£000	**£000**	**£000**	£000
Minimum lease payments	**935**	**356**	**1,291**	1,190
Contingent rents	**0**	**0**	**0**	0
Sub-lease payments	**0**	**0**	**0**	0
Total	**935**	**356**	**1,291**	1,190

Total future minimum lease payments				
Payable	**£000**	**£000**	**£000**	£000
Not later than one year	**568**	**236**	**804**	580
Between one and five years	**1,647**	**214**	**1,861**	514
After 5 years	**150**	**404**	**554**	638
Total	**2,365**	**854**	**3,219**	1,732

LHB as lessor

	2025-26	2024-25
Rental revenue	**£000**	£000
Rent	**304**	44
Contingent rents	**0**	0
Total revenue rental	**304**	44

Total future minimum lease payments		
Receivable	**£000**	£000
Not later than one year	**175**	180
Between one and five years	**586**	701
After 5 years	**0**	63
Total	**761**	944

9. Employee benefits and staff numbers

9.1 Employee costs

	Permanent Staff	Staff on Inward Secondment	Agency Staff	Specialist Trainee (SLE)	Collaborative Bank Staff	Other	Total	2024-25
	£000	£000	£000	£000	£000	£000	£000	£000
Salaries and wages	675,619	2,652	2,955	35,774	0	4,643	721,643	701,676
Social security costs	76,943	0	0	4,962	0	765	82,670	57,948
Employer contributions to NHS Pension Scheme	123,862	0	0	5,707	(2)	0	129,567	122,335
Other pension costs	97	0	0	0	0	0	97	118
Other employment benefits	0	0	0	0	0	0	0	0
Termination benefits	21	0	0	0	0	0	21	0
Total	876,542	2,652	2,955	46,443	(2)	5,408	933,998	882,077

Charged to capital	1,046	791
Charged to revenue	932,952	881,286
	933,998	882,077
Net movement in accrued employee benefits (untaken staff leave)	0	0

The employer contributions to the NHS Pension Scheme disclosed above include £55.016m (2024/25 £52.138m) of NHS Pension contributions paid by Welsh Government for the twelve month period, 1 April 2025 to 31 March 2026. This has been calculated from actual Welsh Government expenditure for the 9.4% staff employer pension contributions between April 2025 and February 2026 alongside Health Board data for March 2026.
This expenditure accounted for by the health board as notional expenditure paid to NHS BSA by Welsh Government has been covered off by notional funding provided to the health board. There is therefore no impact on the health board's Revenue Resource Performance as a result of the inclusion of these notional transactions. Further information is disclosed in Note 34.1.
Included within Note 9.1 above are £205k (2024/25 £230k) of final pay control charges relating to 5 (2024/25, 14+) individuals.
The £5,408k (2024/25 £5,691k) other staffing cost in Note 9.1 relates to the cost of temporary staff sourced through the MEDACS managed service contract

9.2 Average number of employees

	Permanent Staff	Staff on Inward Secondment	Agency Staff	Specialist Trainee (SLE)	Collaborative Bank Staff	Other	Total	2024-25
	Number	Number	Number	Number	Number	Number	Number	Number
Administrative, clerical and board members	2,379	9	3	0	0	0	2,391	2,444
Medical and dental	942	13	10	481	0	59	1,505	1,508
Nursing, midwifery registered	4,252	2	20	0	0	0	4,274	4,243
Professional, Scientific, and technical staff	442	1	0	0	0	0	443	414
Additional Clinical Services	2,561	0	20	0	0	0	2,581	2,683
Allied Health Professions	1,028	2	7	0	0	0	1,037	1,008
Healthcare Scientists	372	1	46	0	0	0	419	374
Estates and Ancilliary	952	0	4	0	0	0	956	963
Students	0	0	0	0	0	0	0	0
Total	12,928	28	110	481	0	59	13,606	13,637

9.3. Retirements due to ill-health

	2025-26	2024-25
Number	14	18
Estimated additional pension costs £	1,251,349	1,277,658

This note discloses the number and additional pension costs for individuals who retired early on ill-health grounds during the year. These additional pension costs have been calculated on an average basis and will be borne by the NHS Pension Scheme.

9.4 Employee benefits

Swansea Bay ULHB does not have an employee benefit scheme.

9.5 Reporting of other compensation schemes - exit packages

9.5.1 Exit Packages Costs and Numbers

Exit packages cost band (including any special payment element)	2025-26 Number of compulsory redundancies	2025-26 Number of other departures	2025-26 Total number of exit packages	2025-26 Number of departures where special payments have been made	2024-25 Total number of exit packages
	Whole numbers only	Whole numbers only	Whole numbers only	Whole numbers only	Whole numbers only
less than £10,000	0	0	0	0	5
£10,000 to £25,000	0	1	1	0	3
£25,000 to £50,000	0	3	3	0	6
£50,000 to £100,000	0	0	0	0	0
£100,000 to £150,000	0	1	1	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	0	5	5	0	14

Exit packages cost band (including any special payment element)	2025-26 Cost of compulsory redundancies	2025-26 Cost of other departures	2025-26 Total cost of exit packages	2025-26 Cost of special element included in exit packages	2024-25 Total cost of exit packages
	£	£	£	£	£
less than £10,000	0	0	0	0	16,687
£10,000 to £25,000	0	21,262	21,262	0	45,832
£25,000 to £50,000	0	97,948	97,948	0	196,895
£50,000 to £100,000	0	0	0	0	0
£100,000 to £150,000	0	106,919	106,919	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	0	226,129	226,129	0	259,414

Total Exit Costs Paid in Year	Total paid in year 2025-26	Total paid in year 2024-25
	£	£
Exit costs paid in year	204,867	229,863
Total	204,867	229,863

This disclosure reports the number and value of exit packages agreed in the year. Note: the expense associated with these departures may have been recognised in part or in full in a previous period.

Redundancy and other departure costs have been paid in accordance with the provisions of the NHS Voluntary Early Release Scheme (VERS).

£204,867 exit costs were paid in 2025-26 (2024-25, £229,863).

Where the LHB has agreed early retirements, the additional costs are met by the LHB and not by the NHS Pensions Scheme. Ill-health retirement costs are met by the NHS Pensions Scheme and are not included in the table.

9.5 Reporting of other compensation schemes - exit packages continued

9.5.2 Analysis of other departures	2025-26 Agreements Number	2025-26 Total value of agreements £
Type of other departures		
Voluntary redundancies including early retirement contractual costs	5	226,129
Contractual payments in lieu of notice*	0	0
Exit payments following Employment Tribunals or court orders	0	0
Non-contractual payments requiring Welsh Government Approval**	0	0
Other please specify	0	0
Total	**5**	**226,129**

This disclosure provides detail for the number and value of exit packages agreed in the year.

As a single exit package can be made up of several components each of which will be counted separately in this Note, the total number above will not necessarily match the total numbers in Note 9.5.1 which will be the number of individuals.

There were no non-contractual severance payments made during 2025/26.

9.6 Fair Pay disclosures

9.6.1 Remuneration Relationship

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director/employee in their organisation and the 25th percentile, median and 75th percentile remuneration of the organisation's workforce.

Total Pay and benefits			**£'000**			**£'000**
Chief Executive Total pay and benefits range			**000-000**			**000-000**
Highest paid Director Total pay and benefits range			**000-000**			**000-000**
	2025-26	**2025-26**	**2025-26**	2024-25	2024-25	2024-25
	£	**£**		£	£	
Total pay and benefits mid-point	**Chief Executive**	**Employee**	**Ratio**	Chief Executive	Employee	Ratio
25th percentile pay ratio	**227,390**	**26,156**	**8.69:1**	227,265	28,240	8.11:1
Median pay	**227,390**	**34,940**	**6.51:1**	227,265	35,871	6.31:1
75th percentile pay ratio	**227,390**	**43,272**	**5.25:1**	227,265	49,254	4.63:1
Salary component of total pay and benefits						
25th percentile pay ratio	**227,390**	**26,156**		227,265	28,240	
Median pay	**227,390**	**34,940**		227,265	35,871	
75th percentile pay ratio	**227,390**	**43,272**		227,265	49,254	
	Highest Paid			Highest Paid		
Total pay and benefits mid-point	**Director**	**Employee**	**Ratio**	Director	Employee	Ratio
25th percentile pay ratio	**227,390**	**26,156**	**8.69:1**	227,265	28,240	8.11:1
Median pay	**227,390**	**34,940**	**6.51:1**	227,265	35,871	6.31:1
75th percentile pay ratio	**227,390**	**43,272**	**5.25:1**	227,265	49,254	4.63:1
Salary component of total pay and benefits						
25th percentile pay ratio	**227,390**	**26,156**		227,265	28,240	
Median pay	**227,390**	**34,940**		227,265	35,871	
75th percentile pay ratio	**227,390**	**43,272**		227,265	49,254	

In 2025-26, 31 (2024-25, 24) employees received remuneration in excess of the highest-paid director.

Remuneration for all staff ranged from £23,875 to £218,519 (2024-25, £23,970 to £323,663).

The all staff range includes directors with the exception of the highest paid CEO Director as appropriate and excludes the non-executive directors and excludes pension benefits of all employees

Financial Year Summary

The increase in the ratio of the Chief Executive salary to the 25th percentile, median and 75% percentile is is due to differ ing pay awards - Very Senior Managers 3.25%, A4C 3.6% and Medical & Dental staff 4%. The change of Chief Executive Officer during 2024/25 has also impacted.

9.6.2 Percentage Changes	**2024-25 to 2025-26**	2023-24 to 2024-25
% Change from previous financial year in respect of Chief Executive	**%**	**%**
Salary and allowances	**3.76%**	1.07%
Performance pay and bonuses	**0.00%**	0.00%
% Change from previous financial year in respect of highest paid director		
Salary and allowances	**3.76%**	1.07%
Performance pay and bonuses	**0.00%**	0.00%
Average % Change from previous financial year in respect of employees takes as a whole		
Salary and allowances	**-1.77%**	5.51%
Performance pay and bonuses	**0.00%**	0.00%

The health board does not pay any performance pay or other bonuses.

9.7 Pension costs

Past and present employees are covered by the provisions of the NHS Pension Schemes. Details the benefits payable and rules of the schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both the 1995/2008 and 2015 schemes are accounted for, and t scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schen that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme ass and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not diffe materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, wi approximate assessments in intervening years".

An outline of these follows:

a) Accounting valuation
A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuai assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period and is accepted as providing suitably robust figur for financial reporting purposes. The valuation of the scheme liability as at 31 March 2026, is based on valuation data as at 31 March 2024, updated to 31 March 2026 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.
The latest assessment of the liabilities of the scheme is contained in the Statement by the Actua which forms part of the annual NHS Pension Scheme Annual Report and Accounts.
These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation
The purpose of this valuation is to assess the level of liability in respect of the benefits due unde the schemes (considering recent demographic experience), and to recommend the contributior rate payable by employers.
The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from 1 Ap 2024 to 23.7% of pensionable pay. The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost ca corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates.
The 2024 actuarial valuation is currently being prepared and will be published before new

c) National Employment Savings Trust (NEST)

NEST is a workplace pension scheme, which was set up by legislation and is treated as a trust-based scheme. The Trustee responsible for running the scheme is NEST Corporation. It's a non-departmental public body (NDPB) that operates at arm's length from government and is accountable to Parliament through the Department for Work and Pensions (DWP).

NEST Corporation has agreed a loan with the Department for Work and Pensions (DWP). This has paid for the scheme to be set up and will cover expected shortfalls in scheme costs during the earlier years while membership is growing.

NEST Corporation aims for the scheme to become self-financing while providing consistently low charges to members.

Using qualifying earnings to calculate contributions, currently the legal minimum level of contributions is 8% of a jobholder's qualifying earnings, for employers whose legal duties have started. The employer must pay at least 3% of this.

The earnings band used to calculate minimum contributions under existing legislation is called qualifying earnings. Qualifying earnings are currently those between £6,240 and £50,270 for the 2025-26 tax year (2024-25 £6,240 and £50,270).

Restrictions on the annual contribution limits were removed on 1st April 2017.

10. Public Sector Payment Policy - Measure of Compliance

10.1 Prompt payment code - measure of compliance

The Welsh Government requires that Health Boards pay all their trade creditors in accordance with the CBI prompt payment code and Government Accounting rules. The Welsh Government has set as part of the Health Board financial targets a requirement to pay 95% of the number of non-NHS creditors within 30 days of delivery.

	2025-26	**2025-26**	2024-25	2024-25
NHS	**Number**	**£000**	Number	£000
Total bills paid	7,007	291,795	5,404	313,634
Total bills paid within target	6,201	276,954	4,504	292,436
Percentage of bills paid within target	**88.5%**	**94.9%**	83.3%	93.2%
Non-NHS				
Total bills paid	279,381	548,605	297,249	502,648
Total bills paid within target	269,486	518,628	282,501	468,300
Percentage of bills paid within target	**96.5%**	**94.5%**	95.0%	93.2%
Total				
Total bills paid	**286,388**	**840,400**	302,653	816,282
Total bills paid within target	**275,687**	**795,582**	287,005	760,736
Percentage of bills paid within target	**96.3%**	**94.7%**	94.8%	93.2%

10.2 The Late Payment of Commercial Debts (Interest) Act 1998

	2025-26	2024-25
	£	£
Amounts included within finance costs (note 7) from claims made under this legislation	**0**	0
Compensation paid to cover debt recovery costs under this legislation	**0**	0
Total	**0**	**0**

11.1 Property, plant and equipment

2025-26

	Land £000	Buildings, excluding dwellings £000	Dwellings £000	Assets under construction & payments on account £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost or valuation at 1 April 2025	38,540	499,370	11,018	21,428	130,509	938	41,794	4,738	748,335
Indexation	1,013	31,897	1,365	0	0	0	0	0	34,275
Additions									
- purchased	1,037	2,898	0	30,133	10,505	0	6,595	244	51,412
- donated	0	33	0	0	229	0	2	12	276
- government granted	0	0	0	151	0	0	0	0	151
Transfer from/into other NHS bodies	0	0	0	0	10	0	0	0	10
Reclassifications	0	14,471	0	(18,578)	1,542	0	2,565	0	0
Revaluations	0	(1,491)	0	0	0	0	0	0	(1,491)
Reversal of impairments	204	29,973	0	0	0	0	0	0	30,177
Impairments	0	(15,646)	0	0	0	0	(630)	0	(16,276)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(9,941)	(275)	(4,273)	(1,154)	(15,643)
At 31 March 2026	40,794	561,505	12,383	33,134	132,854	663	46,053	3,840	831,226
Depreciation at 1 April 2025	0	35,287	1,023	0	84,133	597	26,886	2,590	150,516
Indexation	0	4,372	127	0	0	0	0	0	4,499
Transfer from/into other NHS bodies	0	0	0	0	10	0	0	0	10
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	(1,839)	0	0	0	0	0	0	(1,839)
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	(5,478)	0	0	0	0	0	0	(5,478)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(9,811)	(275)	(4,273)	(1,154)	(15,513)
Provided during the year	0	18,648	383	0	12,092	80	5,133	415	36,751
At 31 March 2026	0	50,990	1,533	0	86,424	402	27,746	1,851	168,946
Net book value at 1 April 2025	38,540	464,083	9,995	21,428	46,376	341	14,908	2,148	597,819
Net book value at 31 March 2026	40,794	510,515	10,850	33,134	46,430	261	18,307	1,989	662,280
Net book value at 31 March 2026 comprises :									
Purchased	40,794	506,746	10,850	32,174	45,172	261	18,301	1,880	656,178
Donated	0	2,940	0	0	713	0	6	109	3,768
Government Granted	0	829	0	960	545	0	0	0	2,334
At 31 March 2026	40,794	510,515	10,850	33,134	46,430	261	18,307	1,989	662,280
Asset financing :									
Owned	40,794	510,515	8,890	(39,911)	46,430	261	18,307	1,989	587,275
On-SoFP PPP/PFI contracts	0	0	1,960	73,045	0	0	0	0	75,005
PFI residual interests	0	0	0	0	0	0	0	0	0
At 31 March 2026	40,794	510,515	10,850	33,134	46,430	261	18,307	1,989	662,280

The net book value of land, buildings and dwellings at 31 March 2026 comprises :

	£000
Freehold	562,159
Long Leasehold	0
Short Leasehold	0
	562,159

Valuers 'material uncertainty', in valuation. The disclosure relates to the materiality in the valuation report not that of the underlying account. 0

The land and buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2022. The valuation has been prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards. LHBs are required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in occupation.

11.1 Property, plant and equipment

2024-25	Land £000	Buildings, excluding dwellings £000	Dwellings £000	Assets under construction & payments on account £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost or valuation at 1 April 2024	39,700	474,359	10,823	28,131	149,366	1,660	41,454	4,459	749,952
Indexation	349	2,494	195	0	0	0	0	0	3,038
Additions									
- purchased	120	699	0	29,758	8,669	0	3,651	392	43,289
- donated	0	0	0	0	221	0	2	108	331
- government granted	0	0	0	886	97	0	0	0	983
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Reclassifications	(100)	36,354	0	(37,347)	519	0	496	0	(78)
Revaluations	(69)	0	0	0	0	0	0	0	(69)
Reversal of impairments	74	6,053	0	0	0	0	0	0	6,127
Impairments	0	(20,376)	0	0	0	0	0	0	(20,376)
Reclassified as held for sale	(1,434)	0	0	0	0	0	0	0	(1,434)
Disposals	(100)	(213)	0	0	(28,363)	(722)	(3,809)	(221)	(33,428)
At 31 March 2025	**38,540**	**499,370**	**11,018**	**21,428**	**130,509**	**938**	**41,794**	**4,738**	**748,335**
Depreciation at 1 April 2024	0	23,985	670	0	100,989	1,230	25,361	2,359	**154,594**
Indexation	0	432	12	0	0	0	0	0	**444**
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	**0**
Reclassifications	0	0	0	0	0	0	0	0	**0**
Revaluations	0	0	0	0	0	0	0	0	**0**
Reversal of impairments	0	0	0	0	0	0	0	0	**0**
Impairments	0	(5,409)	0	0	0	0	0	0	**(5,409)**
Reclassified as held for sale	0	0	0	0	0	0	0	0	**0**
Disposals	0	(38)	0	0	(28,153)	(722)	(3,809)	(221)	**(32,943)**
Provided during the year	0	16,317	341	0	11,297	89	5,334	452	**33,830**
At 31 March 2025	**0**	**35,287**	**1,023**	**0**	**84,133**	**597**	**26,886**	**2,590**	**150,516**
Net book value at 1 April 2024	**39,700**	**450,374**	**10,153**	**28,131**	**48,377**	**430**	**16,093**	**2,100**	**595,358**
Net book value at 31 March 2025	**38,540**	**464,083**	**9,995**	**21,428**	**46,376**	**341**	**14,908**	**2,148**	**597,819**
Net book value at 31 March 2025 comprises :									
Purchased	**38,540**	**460,600**	**9,995**	**20,619**	**44,811**	**341**	**14,901**	**2,040**	**591,847**
Donated	**0**	**2,720**	**0**	**0**	**657**	**0**	**7**	**108**	**3,492**
Government Granted	**0**	**763**	**0**	**809**	**908**	**0**	**0**	**0**	**2,480**
At 31 March 2025	**38,540**	**464,083**	**9,995**	**21,428**	**46,376**	**341**	**14,908**	**2,148**	**597,819**
Asset financing :									
Owned	**36,640**	**397,705**	**9,995**	**21,428**	**46,376**	**341**	**14,908**	**2,148**	**529,541**
On-SoFP PPP/PFI contracts	**1,900**	**66,378**	**0**	**0**	**0**	**0**	**0**	**0**	**68,278**
PFI residual interests	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
At 31 March 2025	**38,540**	**464,083**	**9,995**	**21,428**	**46,376**	**341**	**14,908**	**2,148**	**597,819**

The net book value of land, buildings and dwellings at 31 March 2025 comprises :

	£000
Freehold	512,618
Long Leasehold	0
Short Leasehold	0
	512,618

Valuers 'material uncertainty', in valuation. The disclosure relates to the materiality in the valuation report not that of the underlying account. 0

The land and buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2022. The valuation has been prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards. LHBs are required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in occupation.

11. Property, plant and equipment (continued)

Disclosures:

(i) Donated Assets
The majority of donated assets were purchased from SBU Charitble funds.

(ii) Valuations

The LHBs land and Buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2022. The valuation has been prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards.

The LHB is required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in operation.

(iii) Asset Lives

Depreciated as follows:

- Land is not depreciated.
- Buildings asset lives are as determined by the Valuation Office Agency and range from 2 to 84.
-Equipment assets are allocated lives on based on the professional judgement and past experience of clinicians, finance staff and other Health Board professionals. The appropriateness of these lives is reviewed regularly.
- Medical Equipment range from 5 to 15 Years.
- Non-clinical Equipment - 5 Years.
- Vehicles - 7 Years.
- Furniture - 10 Years.
- IMT Hardware & Software - 5 years or reflects contract life for some software assets.

(iv) Compensation

There has not been any compensation received from third parties for assets impaired, lost or given up, that is included in the income statement.

(v) Write Downs

There have been six DEL impairments for the following schemes which are not continuing:
- Management Centre, Morriston - £0.039m
- Modular Theatres, Singleton - £0.459m
- Morriston Pharmacy Space Modifications - £0.006m
- Regional Pathology Services at Morriston - £2.259m
- RMHSS P7 Phillips Parade Westfa - £0.027m
- TOMs – Development & Roll Out - £0.630m

(vi) Open Market Value

11. Property, plant and equipment

11.2 Non-current assets held for sale

	Land	Buildings, including dwelling	Other property, plant and equipment	Intangible assets	Other assets	Total
	£000	£000	£000	£000	£000	£000
Balance brought forward 1 April 2025	1,434	0	0	0	0	**1,434**
Plus assets classified as held for sale in the year	0	0	0	0	0	**0**
Revaluation	0	0	0	0	0	**0**
Less assets sold in the year	(1,434)	0	0	0	0	**(1,434)**
Add reversal of impairment of assets held for sale	0	0	0	0	0	**0**
Less impairment of assets held for sale	0	0	0	0	0	**0**
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	0	0	0	**0**
Balance carried forward 31 March 2026	0	0	0	0	0	**0**
Balance brought forward 1 April 2024	170	0	0	0	0	**170**
Plus assets classified as held for sale in the year	1,434	0	0	0	0	**1,434**
Revaluation	0	0	0	0	0	**0**
Less assets sold in the year	(170)	0	0	0	0	**(170)**
Add reversal of impairment of assets held for sale	0	0	0	0	0	**0**
Less impairment of assets held for sale	0	0	0	0	0	**0**
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	0	0	0	**0**
Balance carried forward 31 March 2025	1,434	0	0	0	0	**1,434**

11.3 Right of Use Assets

The organisation's right of use asset leases are disclosed across the relevant headings within the note. Most are individuall y insignificant, however, £27.338m are significant in their own right:
- Briton Ferry PCC (GP1 Premises) held under land and buildings NBV at 31 March 2026 £1,115k ; Briton Ferry PCC (GP2 Premises) held under land and buildings NBV at 31 March 2026 £1,018k;
- Mayhill PCC held under land and buildings NBV at 31 March 2026 £1,130k; Port Talbot Resource Centre held under land and buildings NBV at 31 March 2026 £1,193k
- Vale of Neath PCC (GP2 Premises) held under land and buildings NBV at 31 March 2026 £2,310k; NPT Modular Orthopaedic Theatres held under land and buildings NBV at 31 March 2026 £11,831k
- Health Records Facility held under land and buildings NBV at 31 March 2026 £3,893k;Surgical Robot held under plant and machin ery NBV at 31 March 2026 £1,991k
- Renal Dialysis unit - Bridgend held under land and buildings NBV at 31 March 2026 £1,014k; Roche - Laboratory Diagnostics, Point of Care Testing & Pathology Managed Services held under plant and machinery NBV at 31 March 2026 £1,843k

2025-26	Land £000	Land & buildings £000	Buildings £000	Dwellings £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost or valuation at 1 April 2025	**0**	**39,161**	**0**	**0**	**7,991**	**810**	**1,246**	**0**	**49,208**
Additions	0	1,617	0	0	3,013	438	729	0	**5,797**
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	**0**
Disposals other than by sale	0	0	0	0	0	0	0	0	**0**
Reclassifications	0	0	0	0	0	0	0	0	**0**
Revaluations	0	0	0	0	0	0	0	0	**0**
Reversal of impairments	0	0	0	0	0	0	0	0	**0**
Impairments	0	0	0	0	0	0	0	0	**0**
De-recognition	0	(500)	0	0	(1,007)	(279)	0	0	**(1,786)**
At 31 March 2026	**0**	**40,278**	**0**	**0**	**9,997**	**969**	**1,975**	**0**	**53,219**
Depreciation at 1 April 2025	**0**	**8,068**	**0**	**0**	**1,910**	**493**	**753**	**0**	**11,224**
Recognition	0	0	0	0	0	0	0	0	**0**
Transfers from/into other NHS bodies	0	0	0	0	0	0	0	0	**0**
Disposals other than by sale	0	0	0	0	0	0	0	0	**0**
Reclassifications	0	0	0	0	0	0	0	0	**0**
Revaluations	0	0	0	0	0	0	0	0	**0**
Reversal of impairments	0	0	0	0	0	0	0	0	**0**
Impairments	0	0	0	0	0	0	0	0	**0**
De-recognition	0	(496)	0	0	(1,007)	(279)	0	0	**(1,782)**
Provided during the year	0	3,744	0	0	1,318	202	247	0	**5,511**
At 31 March 2026	**0**	**11,316**	**0**	**0**	**2,221**	**416**	**1,000**	**0**	**14,953**
Net book value at 1 April 2025	**0**	**31,093**	**0**	**0**	**6,081**	**317**	**493**	**0**	**37,984**
Net book value at 31 March 2026	**0**	**28,962**	**0**	**0**	**7,776**	**553**	**975**	**0**	**38,266**

RoU Asset Total Value Split by Lessor	Land £000	Land & buildings £000	Buildings £000	Dwellings £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
NHS Wales Peppercorn Leases	0	14	0	0	0	0	0	0	**14**
NHS Wales Market Value Leases	0	0	0	0	0	0	0	0	**0**
Other Public Sector Peppercorn Leases	0	154	0	0	0	0	0	0	**154**
Other Public Sector Market Value Leases	0	54	0	0	0	0	0	0	**54**
Private Sector Peppercorn Leases	0	767	0	0	0	0	0	0	**767**
Private Sector Market Value Leases	0	27,973	0	0	7,776	553	975	0	**37,277**
Total	**0**	**28,962**	**0**	**0**	**7,776**	**553**	**975**	**0**	**38,266**

11.3 Right of Use Assets

The organisation's right of use asset leases are disclosed across the relevant headings within the note. Most are individuall y insignificant, however, ten are significant in their own right:
- Briton Ferry PCC (GP1 Premises) held under land and buildings NBV at 31 March 2025 £1,100k; - Briton Ferry PCC (GP2 Premises) held under land and buildings NBV at 31 March 2025 £1,004k
- Mayhill PCC held under land and buildings NBV at 31 March 2025 £1,123k; - Port Talbot Resource Centre held under land and buildings NBV at 31 March 2025 £1,544k
- Vale of Neath PCC (GP2 Premises) held under land and buildings NBV at 31 March 2025 £2,483k; - NPT Modular Orthopaedic Theatres held under land and buildings NBV at 31 March 2025 £13,036k
- Pontardawe PCC held under land and buildings NBV at 31 March 2025 £1,030k; - Health Records Facility held under land and buildings NBV at 31 March 2025 £4,081k
- Surgical Robot held under plant and machinery NBV at 31 March 2025 £2,386k; - Renal Dialysis unit - Bridgend held under land and buildings NBV at 31 March 2025 £1,068k

2024-25	Land £000	Land & buildings £000	Buildings £000	Dwellings £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost or valuation at 1 April 2024	**0**	**31,962**	**0**	**0**	**3,791**	**887**	**1,101**	**0**	**37,741**
Additions	0	7,199	0	0	4,200	95	198	0	**11,692**
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	**0**
Disposals other than by sale	0	0	0	0	0	(25)	0	0	**(25)**
Reclassifications	0	0	0	0	0	0	0	0	**0**
Revaluations	0	0	0	0	0	0	0	0	**0**
Reversal of impairments	0	0	0	0	0	0	0	0	**0**
Impairments	0	0	0	0	0	0	0	0	**0**
De-recognition	0	0	0	0	0	(147)	(53)	0	**(200)**
At 31 March 2025	**0**	**39,161**	**0**	**0**	**7,991**	**810**	**1,246**	**0**	**49,208**
Depreciation at 1 April 2024	**0**	**4,674**	**0**	**0**	**1,062**	**433**	**303**	**0**	**6,472**
Recognition	0	0	0	0	0	0	0	0	**0**
Transfers from/into other NHS bodies	0	0	0	0	0	0	0	0	**0**
Disposals other than by sale	0	0	0	0	0	(11)	0	0	**(11)**
Reclassifications	0	0	0	0	(251)	0	251	0	**0**
Revaluations	0	0	0	0	0	0	0	0	**0**
Reversal of impairments	0	0	0	0	0	0	0	0	**0**
Impairments	0	0	0	0	0	0	0	0	**0**
De-recognition	0	0	0	0	0	(147)	(53)	0	**(200)**
Provided during the year	0	3,394	0	0	1,099	218	252	0	**4,963**
At 31 March 2025	**0**	**8,068**	**0**	**0**	**1,910**	**493**	**753**	**0**	**11,224**
Net book value at 1 April 2024	**0**	**27,288**	**0**	**0**	**2,729**	**454**	**798**	**0**	**31,269**
Net book value at 31 March 2025	**0**	**31,093**	**0**	**0**	**6,081**	**317**	**493**	**0**	**37,984**

RoU Asset Total Value Split by Lessor	Land £000	Land & buildings £000	Buildings £000	Dwellings £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
NHS Wales Peppercorn Leases	0	27	0	0	0	0	0	0	**27**
NHS Wales Market Value Leases	0	0	0	0	0	0	0	0	**0**
Other Public Sector Peppercorn Leases	0	202	0	0	0	0	0	0	**202**
Other Public Sector Market Value Leases	0	0	0	0	0	0	0	0	**0**
Private Sector Peppercorn Leases	0	788	0	0	0	0	0	0	**788**
Private Sector Market Value Leases	0	30,076	0	0	6,081	317	493	0	**36,967**
Total	**0**	**31,093**	**0**	**0**	**6,081**	**317**	**493**	**0**	**37,984**

11.3 Right of Use Assets continued

Quantitative disclosures

Maturity analysis Contractual undiscounted cash flows relating to lease liabilities	2025-26 Land £000	2025-26 Buildings £000	2025-26 Other £000	2025-26 Total £000	2024-25 Total £000
Less than 1 year	0	3,994	2,704	6,698	5,427
2-5 years	0	14,449	5,960	20,409	18,781
> 5 years	0	13,424	1,963	15,387	18,142
Less finance charges allocated to future periods	0	(4,164)	(1,238)	(5,402)	(5,829)
Total	**0**	**27,703**	**9,389**	**37,092**	**36,521**

Lease Liabilities (net of irrecoverable VAT)	2025-26	2024-25
Current	5,588	4,357
Non-Current	31,504	32,164
Total	**37,092**	**36,521**

Amounts Recognised in Statement of Comprehensive Net Expenditure	2025-26	2024-25
Depreciation	5,511	4,965
Impairment	0	0
Variable lease payments not included in lease liabilities - Interest expense	1,209	991
Sub-leasing income	0	0
Expense related to short-term leases	0	0
Expense related to low-value asset leases (excluding short-term leases)	0	0

Amounts Recognised in Statement of Cashflows (net of irrecoverable VAT)		
Interest expense	(1,209)	(991)
Repayments of principal on leases	(4,907)	(4,413)
Total	**(6,116)**	**(5,404)**

12. Intangible non-current assets

2025-26

	Software (purchased)	Software (internally generated)	Licences and trademarks	Patents	Development expenditure- internally generated	Assets under Construction	Total
	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2025	13,939	0	1,108	0	0	43	15,090
Revaluation	0	0	0	0	0	0	0
Reclassifications	124	0	0	0	0	(124)	0
Reversal of impairments	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0
Additions- purchased	423	0	0	0	0	81	504
Additions- internally generated	0	0	0	0	0	0	0
Additions- donated	0	0	0	0	0	0	0
Additions- government granted	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0
Transfer from/into other NHS bodies	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0
Gross cost at 31 March 2026	14,486	0	1,108	0	0	0	15,594
Amortisation at 1 April 2025	12,768	0	264	0	0	0	13,032
Revaluation	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0
Impairment	0	0	0	0	0	0	0
Provided during the year	952	0	0	0	0	0	952
Reclassified as held for sale	0	0	0	0	0	0	0
Transfer from/into other NHS bodies	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0
Amortisation at 31 March 2026	13,720	0	264	0	0	0	13,984
Net book value at 1 April 2025	1,171	0	844	0	0	43	2,058
Net book value at 31 March 2026	766	0	844	0	0	0	1,610
NBV at 31 March 2026							
Purchased	766	0	844	0	0	0	1,610
Donated	0	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0	0
Internally generated	0	0	0	0	0	0	0
Total at 31 March 2026	766	0	844	0	0	0	1,610

12. Intangible non-current assets
2024-25

	Software (purchased)	Software (internally generated)	Licences and trademarks	Patents	Development expenditure-internally generated	Assets under Construction	Total
	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2024	**13,478**	**0**	**1,108**	**0**	**0**	**0**	**14,586**
Revaluation	0	0	0	0	0	0	**0**
Reclassifications	78	0	0	0	0	0	**78**
Reversal of impairments	0	0	0	0	0	0	**0**
Impairments	0	0	0	0	0	0	**0**
Additions- purchased	383	0	0	0	0	43	**426**
Additions- internally generated	0	0	0	0	0	0	**0**
Additions- donated	0	0	0	0	0	0	**0**
Additions- government granted	0	0	0	0	0	0	**0**
Reclassified as held for sale	0	0	0	0	0	0	**0**
Transfer from/into other NHS bodies	0	0	0	0	0	0	**0**
Disposals	0	0	0	0	0	0	**0**
Gross cost at 31 March 2025	**13,939**	**0**	**1,108**	**0**	**0**	**43**	**15,090**
Amortisation at 1 April 2024	**11,482**	**0**	**117**	**0**	**0**	**0**	**11,599**
Revaluation	0	0	0	0	0	0	**0**
Reclassifications	0	0	0	0	0	0	**0**
Reversal of impairments	0	0	0	0	0	0	**0**
Impairment	0	0	0	0	0	0	**0**
Provided during the year	1,286	0	147	0	0	0	**1,433**
Reclassified as held for sale	0	0	0	0	0	0	**0**
Transfer from/into other NHS bodies	0	0	0	0	0	0	**0**
Disposals	0	0	0	0	0	0	**0**
Amortisation at 31 March 2025	**12,768**	**0**	**264**	**0**	**0**	**0**	**13,032**
Net book value at 1 April 2024	**1,996**	**0**	**991**	**0**	**0**	**0**	**2,987**
Net book value at 31 March 2025	**1,171**	**0**	**844**	**0**	**0**	**43**	**2,058**
NBV at 31 March 2025							
Purchased	1,171	0	844	0	0	43	**2,058**
Donated	0	0	0	0	0	0	**0**
Government Granted	0	0	0	0	0	0	**0**
Internally generated	0	0	0	0	0	0	**0**
Total at 31 March 2025	**1,171**	**0**	**844**	**0**	**0**	**43**	**2,058**

Additional Disclosures re Intangible Assets

Disclosures:

(i) Donated Assets
Swansea Bay University LHB has not received any donated intangible assets during the year.

(ii) Recognition

Intangible assets acquired separately are initially recognised at fair value. The amount recognised for internally-generated intangible assets is the sum of the expenditure incurred to date when the criteria for recognising internally generated assets has been met (see accounting policy 1.7 for criteria).

(iii) Asset Lives

The Useful Economic Lives (UEL) of intangible non-current assets are assigned on an individual asset basis. Software is generally assigned a 5 year UEL with the UEL of any internally generated software being based on the professional judgement of Health Board professionals and finance staff.

(iv) Additions during the period

Additions during 2025/26 relate to software

(v) Disposals during the period

There were no disposals during 2025/26.

vi) Transfers into other NHS Bodies

Swansea Bay University LHB has not received any intangible assets transferred from another NHS body.

13 . Impairments

	2025-26 Property, plant & equipment £000	2025-26 Right of Use Assets £000	2025-26 Intangible assets £000	2025-26 Held for sale assets £000	2025-26 Financial Assets £000	2025-26 Total Asset Impairment £000
Impairments arising from :						
Loss or damage from normal operations	0	0	0	0	0	0
Abandonment in the course of construction	3,421	0	0	0	0	3,421
Over specification of assets (Gold Plating)	0	0	0	0	0	0
Loss as a result of a catastrophe	0	0	0	0	0	0
Unforeseen obsolescence	0	0	0	0	0	0
Changes in market price	0	0	0	0	0	0
Others (specify)	7,377	0	0	0	0	7,377
Reversal of Impairments	(30,176)	0	0	0	0	(30,176)
Total of all impairments	(19,378)	0	0	0	0	(19,378)
Analysis of impairments charged to reserves in year :						
Impairments charged to the Statement of Comprehensive Net Expenditure	(19,378)	0	0	0	0	(19,378)
Impairments as a result of revaluation/indexation charged to Revaluation Reserve	0	0	0	0	0	0
Impairments as a result of a loss of economic value or service potential Charged to Revaluation Reserve	0	0	0	0	0	0
Right of Use (RoU) asset impairments reflected in RoU Liability	0	0	0	0	0	0
Total	(19,378)	0	0	0	0	(19,378)

	2024-25 Property, plant & equipment £000	2024-25 Right of Use Assets £000	2024-25 Intangible assets £000	2024-25 Held for sale assets £000	2024-25 Financial Assets £000	2024-25 Total Asset Impairment £000
Impairments arising from :						
Loss or damage from normal operations	0	0	0	0	0	0
Abandonment in the course of construction	4	0	0	0	0	4
Over specification of assets (Gold Plating)	0	0	0	0	0	0
Loss as a result of a catastrophe	0	0	0	0	0	0
Unforeseen obsolescence	0	0	0	0	0	0
Changes in market price	69	0	0	0	0	69
Others (specify)	14,963	0	0	0	0	14,963
Reversal of Impairments	(6,127)	0	0	0	0	(6,127)
Total of all impairments	8,909	0	0	0	0	8,909
Analysis of impairments charged to reserves in year :						
Impairments charged to the Statement of Comprehensive Net Expenditure	8,840	0	0	0	0	8,840
Impairments as a result of revaluation/indexation charged to Revaluation Reserve	69	0	0	0	0	69
Impairments as a result of a loss of economic value or service potential Charged to Revaluation Reserve	0	0	0	0	0	0
Right of Use (RoU) asset impairments reflected in RoU Liability	0	0	0	0	0	0
Total	8,909	0	0	0	0	8,909

The impairment losses disclosed above as "other" comprise

- **£1.982m for the write down to depreciated replacement cost following the initial professional valuation on completion of 5 specialised building assets as detailed below**;
- Renal Water Supply Scheme Morriston Hospital £0.649m
- EFAB-I: AHU Upgrades Singleton Hospital £0.200m
- TEF-I: AHU Replacement - Morriston £0.481m
- TEF-MH: Tonna Roof (Mother & Baby Unit) - Mental Health £0.444m
- TEF-I: Ward Roofing & Flooring - Morriston £0.209m
- **£5.395m following the District Valuer's Derecognition exercise for which the guidance outlined in sections 7.44-7.47 in Chapter 7 of the MfA has been applied.**

14.1 Inventories

	31 March 2026	31 March 2025
	£000	£000
Drugs	6,251	6,592
Consumables	6,334	5,886
Energy	383	408
Work in progress	0	0
Other	0	0
Total	**12,968**	12,886
Of which held at realisable value	**0**	0

14.2 Inventories recognised in expenses

	31 March 2026	31 March 2025
	£000	£000
Inventories recognised as an expense in the period	0	0
Write-down of inventories (including losses)	0	0
Reversal of write-downs that reduced the expense	0	0
Total	**0**	**0**

15. Trade and other Receivables

Current	31 March 2026 £000	31 March 2025 £000
Welsh Government	763	1,962
NHSW JCC Joint Commissioning Committee	4,111	796
Welsh Health Boards	10,521	10,025
Welsh NHS Trusts	5,759	2,621
Welsh Special Health Authorities	1,075	815
Non - Welsh Trusts	750	723
Other NHS	277	195
2019-20 Scheme Pays - Welsh Government Reimbursement	40	87
Welsh Risk Pool Claim reimbursement		
NHS Wales Secondary Health Sector	39,295	63,655
NHS Wales Primary Sector FLS Reimbursement	3,873	2,351
NHS Wales Redress	1,612	1,530
Other	0	0
Local Authorities	1,273	966
Other receivables	11,278	10,531
Provision for irrecoverable debts	(3,994)	(3,102)
Pension Prepayments NHS Pensions	0	0
Pension Prepayments NEST	0	0
Other prepayments	12,389	9,004
Other accrued income	853	164
Right of Use capital receivables	0	0
Capital Receivables		
Tangibles capital receivables	0	0
Intangibles capital receivables	0	0
Other capital prepayments	0	0
Sub total	**89,875**	102,323
Non-current		
Welsh Government	0	0
NHSW JCC Joint Commissioning Committee	0	0
Welsh Health Boards	0	0
Welsh NHS Trusts	0	0
Welsh Special Health Authorities	0	0
Non - Welsh Trusts	0	0
Other NHS	0	0
2019-20 Scheme Pays - Welsh Government Reimbursement	511	743
Welsh Risk Pool Claim reimbursement;		
NHS Wales Secondary Health Sector	180,886	148,023
NHS Wales Primary Sector FLS Reimbursement	395	26
NHS Wales Redress	0	3
Other	0	0
Local Authorities	0	0
Other receivables	0	0
Provision for irrecoverable debts	0	0
Pension Prepayments NHS Pensions	0	0
Pension Prepayments NEST	0	0
Other prepayments	0	0
Other accrued income	2	0
Right of Use capital receivables	0	0
Capital Receivables		
Tangibles capital receivables	0	0
Intangibles capital receivables	0	0
Other capital prepayments	0	0
Sub total	**181,794**	148,795
Total	**271,669**	251,118

The great majority of trade undertaken by the Health Board is with other NHS bodies. As NHS bodies are funded by Welsh Government, no credit scoring of them is considered necessary.

The value of trade receivables that are past their payment date but not impaired is £19.702m (£15.692m in 2024-25).

15. Trade and other Receivables (continued)

Receivables past their due date but not impaired

	31 March 2026 £000	31 March 2025 £000
By up to three months	18,428	14,341
By three to six months	339	345
By more than six months	935	1,006
	19,702	15,692

Expected Credit Losses (ECL) / Provision for impairment of receivables

Balance at 1 April	(3,102)	(2,282)
Transfer to other NHS Wales body	0	0
Amount written off during the year	11	6
Amount recovered during the year	14	1
(Increase) / decrease in receivables impaired	(917)	(827)
Bad debts recovered during year	0	0
Balance at 31 March	(3,994)	(3,102)

In determining whether a debt should be impaired, consideration is given to the age of the debt, historic collectability rates and the results of actions already taken including referral to the Health Board's credit agencies.

Receivables VAT

Trade receivables	3,209	2,506
Other	0	0
Total	**3,209**	2,506

16. Other Financial Assets

	Current		Non-current	
	31 March 2026	31 March 2025	**31 March 2026**	31 March 2025
	£000	£000	**£000**	£000
Financial assets				
Shares and equity type investments				
Held to maturity investments at amortised costs	**0**	0	**0**	0
At fair value through SOCNE	**0**	0	**0**	0
Available for sale at FV	**0**	0	**0**	0
Deposits	**0**	0	**0**	0
Loans at amortised cost	**0**	0	**0**	0
Derivatives	**0**	0	**0**	0
Other (Specify)				
Held to maturity investments at amortised costs	**0**	0	**0**	0
At fair value through SOCNE	**0**	0	**0**	0
Available for sale at FV	**0**	0	**0**	0
Capital Financial Assets				
Loans at amortised cost	**0**	0	**0**	0
Right of Use Asset Finance Sublease	**0**	0	**0**	0
Total	**0**	**0**	**0**	**0**

RoU Sub-leasing income Recognised in Statement of Comprehensive Net Expenditure	**2025-26**	**2024-25**
RoU Sub-leasing income	**0**	0

17. Cash and cash equivalents

	2025-26	2024-25
	£000	£000
Balance at 1 April	**3,444**	2,824
Net change in cash and cash equivalent balances	**(693)**	620
Balance at 31 March	**2,751**	3,444
Made up of:		
Cash held at GBS	**2,589**	3,220
Commercial banks	**0**	0
Cash in hand	**162**	224
Cash and cash equivalents as in Statement of Financial Position	**2,751**	3,444
Bank overdraft - GBS	**0**	0
Bank overdraft - Commercial banks	**0**	0
Cash and cash equivalents as in Statement of Cash Flows	**2,751**	3,444

In response to the IAS 7 requirement for additional disclosure, the changes in liabilities arising for financing activities are;

Lease Liabilities (ROUA) £4.908m
Lease Liabilities (short-term and low value leases) £0m
PFI liabilities: £9.461m

The movement relates to cash, no comparative information is required by IAS 7 in 2025-26.

18. Trade and other payables

Current	**31 March 2026**	31 March 2025
	£000	£000
Welsh Government	**0**	1
NHSW Joint Commissioning Committee	**2,986**	1,593
Welsh Health Boards	**3,865**	3,426
Welsh NHS Trusts	**4,675**	3,919
Welsh Special Health Authorities	**56**	25
Other NHS	**3,497**	3,275
Taxation and social security payable / refunds	**8,548**	8,099
Refunds of taxation by HMRC	**0**	0
VAT payable to HMRC	**137**	110
Other taxes payable to HMRC	**0**	1
NI contributions payable to HMRC	**9,431**	7,877
Non-NHS payables - Revenue	**19,303**	22,817
Local Authorities	**975**	483
Overdraft	**0**	0
Rentals due under operating leases	**0**	0
Pensions: staff	**12,470**	10,962
Non NHS Accruals	**102,143**	113,817
Deferred Income:		
Deferred Income brought forward	**1,325**	240
Deferred Income Additions	**1,216**	1,239
Transfer to / from current/non current deferred income	**0**	0
Released to SoCNE	**(198)**	(154)
Other creditors	**413**	82
Payments on account	**0**	0
Impact of IFRS 16 on SoFP PFI contracts	**1,233**	1,422
Right of Use asset payables	**5,588**	4,357
Capital asset payables		
Tangibles - Payables	**10,689**	9,709
Intangibles - Payables	**131**	(122)
Obligations under finance leases, HP contracts	**0**	0
Imputed finance lease element of on SoFP PFI contracts	**7,906**	6,543
PFI assets – deferred credits	**0**	0
Capital Payments on account	**0**	0
Sub Total	**196,389**	199,721
Non-current		
Welsh Government	**0**	0
NHSW Joint Commissioning Committee	**0**	0
Welsh Health Boards	**0**	0
Welsh NHS Trusts	**0**	0
Welsh Special Health Authorities	**0**	0
Other NHS	**0**	0
Taxation and social security payable / refunds	**0**	0
Refunds of taxation by HMRC	**0**	0
VAT payable to HMRC	**0**	0
Other taxes payable to HMRC	**0**	0
NI contributions payable to HMRC	**0**	0
Non-NHS payables - Revenue	**0**	0
Local Authorities	**0**	0
Overdraft	**0**	0
Rentals due under operating leases	**0**	0
Pensions: staff	**0**	0
Non NHS Accruals	**0**	381
Deferred Income :		
Deferred Income brought forward	**0**	0
Deferred Income Additions	**0**	0
Transfer to / from current/non current deferred income	**0**	0
Released to SoCNE	**0**	0
Other creditors	**0**	0
PFI assets –deferred credits	**0**	0
Payments on account	**0**	0
Impact of IFRS 16 on SoFP PFI contracts	**2,272**	3,478
Right of Use asset payables	**31,504**	32,164
Capital asset payables		
Capital Creditors - Tangibles	**0**	0
Capital Creditors - Intangibles	**0**	0
Obligations under finance leases, HP contracts	**0**	0
Imputed finance lease element of on SoFP PFI contracts	**37,904**	45,454
PFI assets – deferred credits	**0**	0
Capital Payments on account	**0**	0
Sub Total	**71,680**	81,477
Total	**268,069**	281,198

It is intended to pay all invoices within the 30 day period directed by the Welsh Government.

The LHB aims to pay all invoices within the 30 day period directed by the Welsh Government.

18. Trade and other payables (continued).

Amounts falling due more than one year are expected to be settled as follows:	31 March 2026 £000	31 March 2025 £000
Between one and two years	14,642	13,279
Between two and five years	43,005	48,338
In five years or more	14,033	19,860
Sub-total	71,680	81,477

19. Other financial liabilities

	Current		Non-current	
Financial liabilities	31 March 2026 £000	31 March 2025 £000	31 March 2026 £000	31 March 2025 £000
Financial Guarantees:				
At amortised cost	0	0	0	0
At fair value through SoCNE	0	0	0	0
Derivatives at fair value through SoCNE	0	0	0	0
Other:				
At amortised cost	0	0	0	0
At fair value through SoCNE	0	0	0	0
Total	0	0	0	0

20. Provisions

	At 1 April 2025	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2026
Current	£000	£000	£000	£000	£000	£000	£000	£000	£000
Clinical negligence:-									
Secondary care	34,231	0	(1,177)	(7,778)	13,226	(17,094)	(3,893)	0	17,515
Primary care	1,937	0	0	0	1,717	(273)	(165)	0	3,216
Redress Secondary care	1,097	0	(74)	(61)	1,308	(451)	(631)	0	1,188
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	1,047	0	0	285	791	(952)	(134)	106	1,143
All other losses and special payments	0	0	0	0	4,184	(4,184)	0	0	0
Defence legal fees and other administration	1,715	0	0	(60)	1,850	(1,128)	(820)		1,557
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	38			2	31	(36)	(3)	1	33
2019-20 Scheme Pays - Reimbursement	87			0	0	(25)	(22)	0	40
Restructuring	0			0	0	0	0	0	0
Other	3,276		0	0	2,608	(346)	(866)	0	4,672
Capital provisions									
RoU Asset Dilapidations CAME	152		0	0	32	(32)	(32)	0	120
Other Capital Provisions	0		0	0	0	0	0	0	0
Total	43,580	0	(1,251)	(7,612)	25,747	(24,521)	(6,566)	107	29,484
Non Current									
Clinical negligence:-									
Secondary care	145,850	0	75	7,778	52,109	(6,365)	(21,117)	0	178,330
Primary care	0	0	0	0	352	0	0	0	352
Redress Secondary care	3	0	16	61	0	(18)	(62)	0	0
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	4,058	0	0	(285)	174	(4)	(161)	0	3,782
All other losses and special payments	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	2,436	0	0	60	1,381	(325)	(347)		3,205
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	8			(2)	0	0	(1)	0	5
2019-20 Scheme Pays - Reimbursement	743			0	0	0	(232)	0	511
Restructuring	0			0	0	0	0	0	0
Other	0		0	0	0	0	0	0	0
Capital provisions									
RoU Asset Dilapidations CAME	950		0	0	287	0	0	0	1,237
Other Capital Provisions	0		0	0	0	0	0	0	0
Total	154,048	0	91	7,612	54,303	(6,712)	(21,920)	0	187,422
TOTAL									
Clinical negligence:-									
Secondary care	180,081	0	(1,102)	0	65,335	(23,459)	(25,010)	0	195,845
Primary care	1,937	0	0	0	2,069	(273)	(165)	0	3,568
Redress Secondary care	1,100	0	(58)	0	1,308	(469)	(693)	0	1,188
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	5,105	0	0	0	965	(956)	(295)	106	4,925
All other losses and special payments	0	0	0	0	4,184	(4,184)	0	0	0
Defence legal fees and other administration	4,151	0	0	0	3,231	(1,453)	(1,167)		4,762
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	46			0	31	(36)	(4)	1	38
2019-20 Scheme Pays - Reimbursement	830			0	0	(25)	(254)	0	551
Restructuring	0			0	0	0	0	0	0
Other	3,276		0	0	2,608	(346)	(866)	0	4,672
Capital provisions									
RoU Asset Dilapidations CAME	1,102		0	0	319	(32)	(32)	0	1,357
Other Capital Provisions	0		0	0	0	0	0	0	0
Total	197,628	0	(1,160)	0	80,050	(31,233)	(28,486)	107	216,906

Expected timing of cash flows:

	In year to 31 March 2027	Between 1 April 2027 31 March 2031	Thereafter	Total
				£000
Clinical negligence:-				
Secondary care	17,515	178,330	0	195,845
Primary care	3,216	352	0	3,568
Redress Secondary care	1,188	0	0	1,188
Redress Primary care	0	0	0	0
Personal injury	1,143	1,584	2,198	4,925
All other losses and special payments	0	0	0	0
Defence legal fees and other administration	1,557	3,205	0	4,762
Pensions relating to former directors	0	0	0	0
Pensions relating to other staff	33	5	0	38
2019-20 Scheme Pays - Reimbursement	40	511	0	551
Restructuring	0	0	0	0
Other	4,672	0	0	4,672
Capital provisions				
RoU Asset Dilapidations CAME	120	0	1,237	1,357
Other Capital Provisions	0	0	0	0
Total	29,484	183,987	3,435	216,906

20. Provisions (continued)

	At 1 April 2024	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2025
Current	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Clinical negligence:-									
Secondary care	44,821	0	(1,452)	(5,187)	13,742	(6,164)	(11,529)	0	**34,231**
Primary care	40	0	0	(30)	2,039	(112)	0	0	**1,937**
Redress Secondary care	709	0	(207)	0	1,177	(386)	(196)	0	**1,097**
Redress Primary care	0	0	0	0	0	0	0	0	**0**
Personal injury	656	0	0	268	750	(698)	(37)	108	**1,047**
All other losses and special payments	0	0	0	0	55	(55)	0	0	**0**
Defence legal fees and other administration	1,675	0	0	379	1,416	(1,015)	(740)		**1,715**
Pensions relating to former directors	0			0	0	0	0	0	**0**
Pensions relating to other staff	37			3	37	(39)	(1)	1	**38**
2019-20 Scheme Pays - Reimbursement	33			0	70	(16)	0	0	**87**
Restructuring	0			0	0	0	0	0	**0**
Other	5,111		0	0	1,795	(1,719)	(1,911)	0	**3,276**
Capital provisions									
RoU Asset Dilapidations CAME	0		0	0	152	0	0	0	**152**
Other Capital Provisions	0		0	0	0	0	0	0	**0**
Total	**53,082**	**0**	**(1,659)**	**(4,567)**	**21,233**	**(10,204)**	**(14,414)**	**109**	**43,580**
Non Current									
Clinical negligence:-									
Secondary care	139,007	(11,918)	(7,588)	5,187	41,266	(7,365)	(12,739)	0	**145,850**
Primary care	0	0	0	30	0	0	(30)	0	**0**
Redress Secondary care	0	0	0	0	3	0	0	0	**3**
Redress Primary care	0	0	0	0	0	0	0	0	**0**
Personal injury	4,063	0	0	(268)	263	0	0	0	**4,058**
All other losses and special payments	0	0	0	0	0	0	0	0	**0**
Defence legal fees and other administration	3,041	0	0	(379)	563	(387)	(402)		**2,436**
Pensions relating to former directors	0			0	0	0	0	0	**0**
Pensions relating to other staff	10			(3)	1	0	0	0	**8**
2019-20 Scheme Pays - Reimbursement	936			0	0	0	(193)	0	**743**
Restructuring	0			0	0	0	0	0	**0**
Other	0		0	0	0	0	0	0	**0**
Capital provisions									
RoU Asset Dilapidations CAME	250		0	0	700	0	0	0	**950**
Other Capital Provisions	0		0	0	0	0	0	0	**0**
Total	**147,307**	**(11,918)**	**(7,588)**	**4,567**	**42,796**	**(7,752)**	**(13,364)**	**0**	**154,048**
TOTAL									
Clinical negligence:-									
Secondary care	183,828	(11,918)	(9,040)	0	55,008	(13,529)	(24,268)	0	**180,081**
Primary care	40	0	0	0	2,039	(112)	(30)	0	**1,937**
Redress Secondary care	709	0	(207)	0	1,180	(386)	(196)	0	**1,100**
Redress Primary care	0	0	0	0	0	0	0	0	**0**
Personal injury	4,719	0	0	0	1,013	(698)	(37)	108	**5,105**
All other losses and special payments	0	0	0	0	55	(55)	0	0	**0**
Defence legal fees and other administration	4,716	0	0	0	1,979	(1,402)	(1,142)		**4,151**
Pensions relating to former directors	0			0	0	0	0	0	**0**
Pensions relating to other staff	47			0	38	(39)	(1)	1	**46**
2019-20 Scheme Pays - Reimbursement	969			0	70	(16)	(193)	0	**830**
Restructuring	0			0	0	0	0	0	**0**
Other	5,111		0	0	1,795	(1,719)	(1,911)	0	**3,276**
Capital provisions									
RoU Asset Dilapidations CAME	250		0	0	852	0	0	0	**1,102**
Other Capital Provisions	0		0	0	0	0	0	0	**0**
Total	**200,389**	**(11,918)**	**(9,247)**	**0**	**64,029**	**(17,956)**	**(27,778)**	**109**	**197,628**

21. Contingencies

21.1 Contingent liabilities

	2025-26	2024-25
Provisions have not been made in these accounts for the following amounts :	**£'000**	£'000
Legal claims for alleged medical or employer negligence:-		
Secondary care	**166,639**	123,637
Primary care	**4,635**	1,729
Redress Secondary care	**0**	0
Redress Primary care	**0**	0
Doubtful debts	**0**	0
Equal Pay costs	**0**	0
Defence costs	**3,168**	2,554
Continuing Health Care costs	**1,568**	380
Other	**0**	0
Total value of disputed claims	**176,010**	128,300
Less amounts recoverable in the event of claims being successful	**(171,716)**	(125,170)
Net contingent liability	**4,294**	3,130

21.2 Remote Contingent liabilities

	2025-26	2024-25
	£000	£000
Guarantees	0	0
Indemnities	46	199
Letters of Comfort	0	0
Total	**46**	**199**

21.3 Contingent assets

	2025-26	2024-25
	£000	£000
The Health Board has no contingent assets	0	0
Total	**0**	0

22. Capital commitments

Contracted capital commitments at 31 March

The disclosure of future capital commitments not already disclosed as liabilities in the accounts.

	2025-26	2024-25
	£000	£000
Property, plant and equipment	14,381	6,834
Right of Use Assets	0	0
Intangible assets	0	0
Total	**14,381**	6,834

23. Losses and special payments

Losses and special payments are charged to the Statement of Comprehensive Net Expenditure in accordance with IFRS but are recorded in the losses and special payments register when payment is made. Therefore, the payments in this note for settlement and claimant costs are prepared on a cash basis.

Gross loss to the Exchequer

23.1 Number of cases and associated amounts paid out during the financial year

	Amounts paid out during period to 31 March 2026	
	Number of cases	£
Clinical negligence:-		
Secondary Care	91	23,459,042
Primary Care	5	273,284
Redress Secondary Care	86	467,545
Redress Primary Care	0	0
Personal injury	23	956,274
All other losses and special payments	1,375	4,183,850
Total	1,580	29,339,995

23.2 Analysis of number of cases and associated amounts paid out during the financial year

Case Type	In year cases in excess of £300,000		Cumulative amount
	L&R Case reference number	£	£
Cases in excess of £300,000:			
Clinical Negligence	SSPLR149565	500,000	560,000
Clinical Negligence	SSPLR147604	845,000	1,475,000
Clinical Negligence	SSPLR144393	445,652	620,437
Clinical Negligence	SSPLR142617	2,652,714	3,012,263
Clinical Negligence	SSPLR142571	473,600	473,600
Clinical Negligence	SSPLR140176	4,894,298	5,583,268
Clinical Negligence	SSPLR139083	1,911,664	1,911,664
Clinical Negligence	SSPLR120423	1,821,237	2,071,237
Clinical Negligence	SSPLR123668	865,000	975,000
Clinical Negligence	SSPLR115542	1,770,000	1,835,000
Clinical Negligence	SSPLR154494	651,481	651,481
Clinical Negligence	SSPLR148955	1,067,500	1,067,500
Clinical Negligence	SSPLR144485	310,000	320,000
Clinical Negligence	SSPLR150958	415,795	415,795
	Number of cases	**£**	**£**
Sub-total	**14**	**18,623,941**	**20,972,244**
All other cases paid in year	1,566	10,716,054	19,653,523
Total cases paid in year	**1,580**	**29,339,995**	**40,625,767**

23.3 Analysis of number of cases and associated amounts where no payments were made in financial year

	Number of cases	£
Cumulative amount up to £300k	96	4,346,357
Cumulative amount greater than £300k	10	22,277,838
Total	**106**	**26,624,196**

24. Right of Use lease obligations

24.1 Obligations (as lessee)

Amounts payable under right of use asset leases:

2025-26

	LAND	BUILDINGS	OTHER	TOTAL
	31 March 2026	31 March 2026	31 March 2026	31 March 2026
Minimum lease payments	**£000**	**£000**	**£000**	**£000**
Within one year	0	3,994	2,704	**6,698**
Between one and five years	0	14,449	5,960	**20,409**
After five years	0	13,424	1,963	**15,387**
Less finance charges allocated to future periods	0	(4,164)	(1,238)	**(5,402)**
Minimum lease payments	**0**	**27,703**	**9,389**	**37,092**
Included in:				
Current borrowings	0	3,238	2,350	**5,588**
Non-current borrowings	0	24,465	7,039	**31,504**
	0	**27,703**	**9,389**	**37,092**
Present value of minimum lease payments				
Within one year	0	3,238	2,350	**5,588**
Between one and five years	0	12,277	5,193	**17,470**
After five years	0	12,188	1,846	**14,034**
Present value of minimum lease payments	**0**	**27,703**	**9,389**	**37,092**
Included in:				
Current borrowings	0	3,238	2,350	**5,588**
Non-current borrowings	0	24,465	7,039	**31,504**
	0	**27,703**	**9,389**	**37,092**

2024-25

	LAND	BUILDINGS	OTHER	TOTAL
	31 March 2025	31 March 2025	31 March 2025	31 March 2025
Minimum lease payments	**£000**	**£000**	**£000**	**£000**
Within one year	0	3,893	1,534	5,427
Between one and five years	0	14,454	4,327	18,781
After five years	0	16,058	2,084	18,142
Less finance charges allocated to future periods	0	(4,788)	(1,041)	(5,829)
Minimum lease payments	**0**	**29,617**	**6,904**	**36,521**
Included in:				
Current borrowings	0	3,094	1,262	**4,356**
Non-current borrowings	0	26,523	5,642	**32,165**
	0	**29,617**	**6,904**	**36,521**
Present value of minimum lease payments				
Within one year	0	3,094	1,262	4,356
Between one and five years	0	12,062	3,689	15,751
After five years	0	14,461	1,953	16,414
Present value of minimum lease payments	**0**	**29,617**	**6,904**	**36,521**
Included in:				
Current borrowings	0	3,094	1,262	**4,356**
Non-current borrowings	0	26,523	5,642	**32,165**
	0	**29,617**	**6,904**	**36,521**

24.2 Right of Use Assets receivables (as lessor)

The Health Board did not hold any Right of Use Assets lease receivables, as a lessor, at the balance sheet date.

Amounts receivable under right of use assets :

	31 March 2026	31 March 2025
Gross Investment in leases	**£000**	£000
Within one year	**0**	0
Between one and five years	**0**	0
After five years	**0**	0
Less finance charges allocated to future periods	**0**	0
Minimum lease payments	**0**	0
Included in:		
Current financial assets	**0**	0
Non-current financial assets	**0**	0
	0	0
Present value of minimum lease payments		
Within one year	**0**	0
Between one and five years	**0**	0
After five years	**0**	0
Less finance charges allocated to future periods	**0**	0
Present value of minimum lease payments	**0**	0
Included in:		
Current financial assets	**0**	0
Non-current financial assets	**0**	0
	0	0

25. Private Finance Initiative contracts

25.1 PFI schemes off-Statement of Financial Position

The Health Board did not have any PFI Schemes that were deemed to be off-statement of financial position at the balance sheet date.

Commitments under off-SoFP PFI contracts	**Off-SoFP PFI contracts**	Off-SoFP PFI contracts
	31 March 2026	31 March 2025
	£000	£000
Total payments due within one year	**0**	0
Total payments due between 1 and 5 years	**0**	0
Total payments due thereafter	**0**	0
Total future payments in relation to PFI contracts	**0**	0
Total estimated capital value of off-SoFP PFI contracts	**0**	0

25.2 PFI schemes on-Statement of Financial Position

Capital value of scheme included in Fixed Assets Note 11	**£000**
	75,005
Contract start date:	**12/05/2000**
Contract end date:	**31/05/2030**

Total obligations for on-Statement of Financial Position PFI contracts due:

2025-26	**On SoFP PFI Capital element**	**On SoFP PFI IFRS 16 impact**	**On SoFP PFI Imputed interest**	**On SoFP PFI Service charges**
	31 March 2026	**31 March 2026**	**31 March 2026**	**31 March 2026**
	£000	**£000**	**£000**	**£000**
Total payments due within one year	**9,138**	**1,233**	**2,710**	**5,055**
Total payments due between 1 and 5 years	**40,177**	**2,272**	**4,634**	**13,427**
Total payments due thereafter	**0**	**0**	**0**	**0**
Total future payments in relation to PFI contracts	**49,315**	**3,505**	**7,344**	**18,482**

2024-25	On SoFP PFI Capital element	On SoFP PFI IFRS 16 impact	On SoFP PFI Imputed interest	On SoFP PFI Service charges
	31 March 2025	31 March 2025	31 March 2025	31 March 2025
	£000	£000	£000	£000
Total payments due within one year	7,966	1,422	3,163	5,005
Total payments due between 1 and 5 years	45,790	3,399	7,196	18,338
Total payments due thereafter	3,141	79	91	0
Total future payments in relation to PFI contracts	56,897	4,900	10,450	23,343

	31/03/2026
	£000
Total present value of obligations for on-SoFP PFI contracts	78,646

25.3 Charges to expenditure

	2025-26	2024-25
	£000	£000
Service charges for On Statement of Financial Position PFI contracts (excl interest costs)	3,692	3,574
Total expense for Off Statement of Financial Position PFI contracts	0	0
The total charged in the year to expenditure in respect of PFI contracts	3,692	3,574

The LHB is committed to the following annual charges

PFI scheme expiry date:	£000	£000
Not later than one year	0	0
Later than one year, not later than five years	18,136	0
Later than five years	0	17,556
Total	18,136	17,556

The estimated annual payments in future years will vary from those which the Health Board is committed to make during the next year by the impact of movement in the Retail Prices Index.

25.4 Number of PFI contracts

	Number of on SoFP PFI contracts	Number of off SoFP PFI contracts
Number of PFI contracts	1	0
Number of PFI contracts which individually have a total commitment > £500m	0	0

25.5 Public Private Partnerships

The Health Board did not have any Public Private Partnerships during the year

26. Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking it's activities. The Health Board is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which these standards mainly apply. The Health Board has limited powers to invest and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the Health Board in undertaking its activities.

Currency risk

The Health Board is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the United Kingdom and Sterling based. The Health Board does not have any overseas operations. The Health Board therefore has low exposure to currency rate fluctuations.

Interest rate risk

Health Boards are not permitted to borrow and the Health Board therefore has low exposure to interest rate fluctuations.

Credit risk

As the majority of the Health Board's funding derives from funds voted by the Welsh Government the Health Board has low exposure to credit risk.

Liquidity risk

The Health Board is required to operate within cash limits set by the Welsh Government for the financial year and draws down funds from the Welsh Government as the requirement arises. The Health Board is not, therefore, exposed to significant liquidity risks.

27. Movements in working capital

	2025-26 £000	2024-25 £000
(Increase)/decrease in inventories	(82)	(622)
(Increase)/decrease in trade and other receivables - non-current	(32,999)	(6,096)
(Increase)/decrease in trade and other receivables - current	12,448	(2,045)
Increase/(decrease) in trade and other payables - non-current	(9,797)	751
Increase/(decrease) in trade and other payables - current	(3,332)	817
Total	(33,762)	(7,195)
Adjustment for accrual movements in fixed assets - creditors	4,954	(6,182)
Adjustment for accrual movements in fixed assets - debtors	0	0
Adjustment for accrual movements in right of use assets - creditors	(571)	(6,239)
Adjustment for accrual movements in right of use assets - debtors	0	0
Other adjustments	1,395	1,261
	(27,984)	(18,355)

Other adjustment is for the movement in the Capital (IFRS16) element of the PFI ROU

28. Other cash flow adjustments

	2025-26 £000	2024-25 £000
Depreciation	42,262	38,793
Amortisation	952	1,433
(Gains)/Loss on Disposal	34	103
Impairments and reversals	(19,378)	8,840
Release of PFI deferred credits	0	0
NWSSP Covid assets issued debited to expenditure but non-cash	0	0
Covid assets received credited to revenue but non-cash	0	0
Donated assets received credited to revenue but non-cash	(274)	(332)
Government Grant assets received credited to revenue but non-cash	(151)	(983)
Right of Use Grant (Peppercorn Lease) credited to revenue but non cash	0	(175)
Non-cash movements in right of use assets	0	1
Non-cash movements in provisions	52,071	18,794
Other movements	55,041	52,154
Total	130,557	118,628

Other movements of £55.041m (2024-25 £52.154m) is made up of notional funding received for:

- LHB notional 9.4% Staff Employer Pension Contributions;
- the 2019-20 Pensions Annual Allowance Charge Compensation Scheme (PAACCS);

which are both funded directly to the NHSBA Pensions Division by Welsh Government.

29. Events after the Reporting Period

These financial statements were authorised for issue by the Chief Executive and Accountable Officer on 25th June 2026, and the financial statements were certified by the Auditor General for Wales on 26th June 2026.

The decision to increase remuneration rates relates to a wider review of the underlying Welsh Government Remuneration Scheme guidance, the scheme used to ensure the level of fees paid to public office holders (not just those in the Welsh NHS) is transparent and applied
consistently. Updates on the review have been a regular topic discussed at CEO and Chair level forums hosted by the Welsh Government.
Agreement to increase the level of fees was made by the Cabinet Secretary for Finance and Welsh Language on 1 December. This was noted by CSHSC on 2 December.
The correspondence to the CEOs (in April 2026) confirmed that it had been agreed the Welsh Government Remuneration Scheme daily rates should increase from the 1 January 2026, a change relating to the 2025-26 pay cycle.
The Welsh Government does not propose to issue revised terms and conditions to those board roles impacted by this increase. However, the new rates will become part of any new terms and conditions issued. Costs must be met from existing organisational budgets.
As Ministerial approval was made to implement the change on 1 December 2025 the 2025-26 payment falls within the category of an adjusting post balance sheet event.

30. Related Party Transactions

A number of the HB's Board members have interests in related parties as follows:

Name	Details	Interests
Abigail Harris	**Chief Executive**	Husband is employed by the Competitions and Markets Authority which occassionally takes actions relating to health service provision. Husband is a board member of WCVA.
Alun Llewelyn	**Associate Board Member**	Member of Neath Port Talbot County Borough Council (from 1996)
Andrew Griffiths	**Independent Member**	CEO of FEDIP - professional standards organisation for people working in digital health, ongoing part-time paid employment. Chair on WIDI (ongoing, unpaid) which is a collaboration of two universities that are developing initiatives for staff development in digital health.
Charlotte Emma Rees-Sidhu	**Independent Member**	PVC & Executive Dean of the Faculty of Medicine, Health & Life Science at Swansea University
Darren Griffiths	**Director of Finance and Performance (left Feb 2026)**	Governor of Gower College Swansea. Wife is the Director of Health and Care for British Red Cross for all of UK
Deb Lewis	**Chief Operating Officer/ Executive Director of Primary Care, Mental Health and Learning Disabilities**	Husband is employed by SBU Health Board, Alan Lewis, Job planning manager for the Medical Director's office (Mar 2024- Feb 2026)
Elizabeth Rix	**Executive Director of Nursing**	Two children in NHS Wales - one in shared services, one in SBUHB. SBUHB not in position of power
Gillian Richardson	**Interim Director for Public Health**	Co Chair of Welsh Centre of International Affairs (5 yrs) - no financial benefit. Trustee of Guardian Ballers (2yrs) - no financial benefit
Hazel Lloyd	**Head of Corporate Governance and Board Secretary**	Spouse is Director of Llanharan Pharmacy Ltd (Oct 2020 - present)
Jacquelin Davies	**Independent Member**	Chair of People Speak Up (Arts in Health Charity); Chair of Royal College Nursing Wales Board; Vice Chair of Royal College of Nursing Trade Union Committee; Board member of Royal College of Nursing Equity, Diversity and Inclusion Committee; Secretary of Royal College of Nursing Glamorgan Branch. No financial benefit from any interests.
Janice Victoria Williams	**Chair**	Trustee of Amgueddfa Cymru (AC does not sit in HSCEY of Welsh Government) - no financial benefit
Ceinwen Jean Church	**Independent Member**	Daughter is Director of Primary Care and Medical Examiner services for NHS Wales Shared Services Partnership
Keith Lloyd	**Independent Member**	Chair of Volcano Theatre Trading Company - no financial benefit. Professor of Psychiatry at Swansea University - salaried employment. Honorary Consultant Psychiatrist SBUHB.Trustee Heartbeat Trust (Charity). General Medical Council (registrant board member) - remunerated. Health Technology Wales, Chair of Appraisal Panel - remunerated.
Matthew John	**Director of Digital**	Voluntary Parent Governor at Dwr Y Felin Comprehensive School
Nicola Louise Matthews	**Independent Member**	Trustee of Wales National Pool. Local Councillor of Swansea Council. Office Manager for Member of Parliament for Gower
Nuria Zolle	**Independent Member**	Welsh Government National Advice Network-Ministerial Appointment - unremunerated. Ospreys in the Community - Trustee/Directorship - unremunerated. Shelter Cymru - Trustee/Directorship - unremunerated. Sport Wales Board Member (public appointment) - remunerated. Partner is a director of the Independent Monitoring Authority.
Reena Owen	**Independent Member**	Environment Centre Swansea Trustee - no financial benefit. Spouse is trustee of Bikeability, Killay, Swansea
Professor Richard Huw Evans	**Executive Medical Director and Deputy Chief Executive Officer**	Director of White Farm Estates - no financial benefit
Stephen Spill - Vice Chair	**Vice Chair**	NED of Karbon Homes Ltd - remunerated. NED and Trustee of British Small Animal Veterinary Association - remunerated until 31.3.2025, pro-bono thereafter. Board Advisor for In2Matrix - remunerated. Lancashire and South Cumbria ICB (LSC) - awaiting appointment confirmation, then will be reumerated

The total value of transactions with related parties in 2025/26 were as follows:

Related Party	Payments to related party	Receipts from related party	Amounts owed to related party	Amounts due from related party
	£000	£000	£000	£000
British Red Cross Society	194	0	0	0
City & Council Swansea	24,672	3,054	899	456
Gower College Swansea	4	0	4	0
Neath Port Talbot Council	14,402	4,847	92	708
NHS Lancashire and South Cumbria ICB	0	62	0	1
Ospreys in the Community	125	0	0	0
Royal College of Nursing	7	1	0	0
Swansea University	7,179	949	454	321
Velindre NHS Trust	69,882	10,241	3,700	5,076

The Swansea Bay University Health Board Charity is the linked charity to the Swansea Bay University Health Board. During the financial year the Health Board for operational reasons may make payments on behalf of the NHS Charity and the NHS Charity may make payments on behalf of the Health Board. These payments are cleared monthly via an intercompany transfer within the financial ledgers. In 2025/26 the Health Board made cash payments of £1,413,438.19 on behalf of the NHS Charity and the NHS Charity made payments of £834,803.18 on behalf of the Health Board. As at 31st March 2026 the amount owed to the Health Board by the NHS Charity amounted to £277,751.05 with the Health Board owing the NHS Charity £241,940.08. These balances will be cleared in April 2026.

The Welsh Government is regarded as a related party of the Health Board. During the year the Health Board had a significant number of material revenue and capital transactions with either the Welsh Government or with other entities for which the Welsh Government is regarded as the parent body, namely:

Related Party	Expenditure to related party	Income from related party	Amounts owed to related party	Amounts due from related party
	£000	£000	£000	£000
Welsh Government	75	1,467,035	-	763
NHS Wales Joint Commissioning Committee	158,512	163,015	2,986	4,111
Aneurin Bevan UHB	1,254	2,508	204	438
Betsi Cadwaladr LHB	599	556	41	95
Cardiff & Vale UHB	8,431	7,708	1,207	720
Cwm Taf Morgannwg Morgannwg UHB	19,410	36,909	1,888	3,018
Digital Health and Care Wales	7,407	1,878	56	331
Health Education & Improvement Wales	24	22,439	-	745
Hywel Dda UHB	6,495	50,601	497	4,561
Powys THB	1,601	12,972	24	1,688
Public Health Wales NHS Trust	5,212	6,335	928	654
Velindre NHS Trust	69,882	10,241	3,700	5,076
Welsh Ambulance Services NHS Trust	659	99	51	29
Total	**279,561**	**1,782,296**	**11,582**	**22,229**

31. Third Party assets

The LHB held £812,201 cash at bank and in hand at 31 March 2026 (31st March 2025, £995,938) which relates to monies held by the LHB on behalf of patients. This has been excluded from the Cash and Cash equivalents figure reported in the accounts.
Cash held in Patient's Investment Accounts amounted to £0.00 at 31st March 2026 (31st March 2025, £0).
In addition the LHB had located on its premises a significant quantity of consignment stock. This stock remains the property of the supplier until it is used. The value of consignment stock at 31 March 2026 amounted to £2,532,703 (£2,933,052 as at 31st March 2025).

32. Pooled budgets

Pooled budget scheme with Swansea County Borough Council & Neath Port Talbout County Borough Council where the Health Board is a member.
Other includes:
2025/26 - RIF Funding (£249k), HCF (£451k), In Year Reserve Draw (£400k).
2024/25 - RIF Funding (£249k), HCF (£671k)
Asset NBV of PPE @ 31st March 2026 = £2,767k (31st March 2025 - £2,699k)

West Glamorgan Community Equipment (Pooled Budget 1)	**2025-26**	**2024-25**
Pooled Budget contributions	**£ 000**	**£ 000**
Neath Port Talbot County Council	343	350
Swansea County Borough Council	610	622
Swansea Bay Local Health Board	1,547	1,528
Other	1,101	921
Total Pooled Budget contributions for the year	**3,601**	**3,421**
Expenditure		
Staff Costs	0	0
Equipment Purchases	2,547	2,139
Operating Expenditure	0	0
Non Operating Expenditure	700	920
Total Expenditure for the year	**3,247**	**3,059**
Net Surplus/(Deficit) on the Pooled Budget for the Year	**354**	**362**
Cumulative Net Surplus/(Deficit) on the Pooled Budget	**1,020**	**666**

Pooled budget scheme with Neath Port Talbout County Borough Council where the Health Board is a member.

Intermediate Care Fund (Pooled Budget 2)

	2025-26	**2024-25**
Pooled Budget contributions	**£ 000**	**£ 000**
Neath Port Talbot County Council	3,445	3,267
Swansea Bay Local Health Board	4,365	4,569
Other	0	0
Total Pooled Budget Contributions	**7,810**	**7,836**
Expenditure		
Staff Costs	7132	6761
Equipment Purchases	0	0
Operating Expenditure	0	0
Non Operating Expenditure	0	0
Total Expenditure	**7,132**	**6,761**

No income has been received in relation to activities resulting from Pooled budget.

33. Operating segments

Accounting standard IFRS 8 defines an operating segment as a component of an entity:

Swansea Bay University Health Board has organised its operational services into 4 Service Groups.

Two of these service groups are centred on the Health Board's main hospital sites of Morriston, Neath Port Talbot, and Singleton. The remaining two SDU's cover Mental Health and Learning Disabilities Services and Primary Care Community and Therapy Services

The LHB has formed the view that the activities of its service groups are sufficiently similar for the results of their operations not to have to be disclosed separately. In reaching this decision the Health Board is satisfied that the following criteria are met:

1. Aggregation still allows users to evaluate the business and its operating environment

2. Service Groups have similar economic characteristics > The nature of the service provided

3. The Service Groups are similar in respect of all of the following :
> The Service Groups operate fundamentally similar processes
> The end customers (the patients) fall into broadly similar categories
> The Service Groups share a common regulatory environment

The LHB did operate as a home to 1 hosted body during 2025/26

The only hosted body is the Emergency Medical Retrieval and Transfer Service (EMRTS). This service provides pre-hospital critical care for all age groups and undertakes time critical life or limb threatening adult and paeditaric transfers from Emergency Departments, Medical Assessment Units, Intensive Care Units and Minor Injury Units for patients requiring specialist intervention at the receiving hospital. The service is mainly funded directly by Welsh Government

During 2025/26 these accounts contain income of £0.418m (2024/25 £0.311m) and expenditure of £10.256m (2024/25 £9.835m) in respect of EMRTS.

The LHB does not consider the amounts involved to be sufficiently material to be reported as a separate segment.

34. Other Information

34.1. 9.4% Staff Employer Pension Contributions - Notional Element

The value of notional transactions is based on estimated costs for the twelve month period 1st April 2025 to 31st March 2026. This has been calculated from actual Welsh Government expenditure for the 9.4% staff employer pension contributions between April 2025 and February 2026 alongside Health Board data for March 2026.

Transactions include notional expenditure in relation to the 9.4% paid to NHSBSA by Welsh Government and notional funding to cover that expenditure as follows:

	2025-26	2024-25
Statement of Comprehensive Net Expenditure for the year ended 31 March 2026	**£000**	**£000**
Expenditure on Primary Healthcare Services	**0**	0
Expenditure on healthcare from other providers	**0**	0
Expenditure on Hospital and Community Health Services	**55,016**	52,138
Statement of Changes in Taxpayers' Equity for the year ended 31 March 2026		
Net operating cost for the year	**55,016**	52,138
Notional Welsh Government Funding	**55,016**	52,138
Statement of Cash Flows for year ended 31 March 2026		
Net operating cost for the financial year	**55,016**	52,138
Other cash flow adjustments	**55,016**	52,138
2.1 Revenue Resource Performance		
Revenue Resource Allocation	**55,016**	52,138
3. Analysis of gross operating costs		
3.1 Expenditure on Primary Healthcare Services		
General Medical Services	**0**	0
Pharmaceutical Services	**0**	0
General Dental Services	**0**	0
Other Primary Health Care expenditure	**0**	0
3.2 Expenditure on healthcare from other providers		
	0	0
	0	0
3.3 Expenditure on Hospital and Community Health Services		
Directors' costs	**132**	148
Staff costs	**54,884**	51,990
Single Lead Employer staff trainee costs	**0**	0
9.1 Employee costs		
Permanent Staff		
Employer contributions to NHS Pension Scheme	**55,016**	52,138
Charged to capital	**85**	64
Charged to revenue	**55,101**	52,201
18. Trade and other payables		
Current		
Pensions: staff	**0**	0
28. Other cash flow adjustments		
Other movements	**52,071**	47,703

The Department of Health and Social Care (DHSC) 2023-24 consultation on the NHS Pension Scheme confirmed that the transitional approach that has operated since 2019-20 for employer contributions will continue in 2025-26. From 1 April 2024 an employer rate of 23.7% (23.78% inclusive of the administration charge) will apply. However, the NHS Business Services Authority will continue to only collect 14.38% from NHS Wales employers under their normal monthly payment process to the NHS Pension Scheme. This has a resulted in an increase in the central payments made by Welsh Government from 6.3% to 9.4%.

Other

34.2 IFRS 17 - Insurance Contract Disclosures

The outcome of the annual contract review for a range of income contract types applicable to the orgar did not identify any insurance contracts that fall within the scope of IFRS 17.

STATEMENT OF FINANCIAL POSITION

(Signage as per provision note disclosure)	£000
Liability for incurred claims @ 1 April 2025	0
Liability for remaining payments @ 31 March 2026	0
	0
Arising during year	0
Utilised	0
Reversed unused	0
Movement in Discount Rates	0
	0

STATEMENT OF COMPREHENSIVE NET EXPENDITURE

(Signage as per income and expenditure note disclosure)	£000
Insurance Income	0
Insurance expenditure	0

ıisation,

THE NATIONAL HEALTH SERVICE IN WALES ACCOUNTS DIRECTION GIVEN BY WELSH MINISTERS IN ACCORDANCE WITH SCHEDULE 9 SECTION 178 PARA 3(1) OF THE NATIONAL HEALTH SERVICE (WALES) ACT 2006 (C.42) AND WITH THE APPROVAL OF TREASURY

LOCAL HEALTH BOARDS

1. Welsh Ministers direct that an account shall be prepared for the financial year ended 31 March 2011 and subsequent financial years in respect of the Local Health Boards (LHB)1, in the form specified in paragraphs [2] to [7] below.

BASIS OF PREPARATION

2. The account of the LHB shall comply with:

(a) the accounting guidance of the Government Financial Reporting Manual (FReM), which is in force for the financial year in which the accounts are being prepared, and has been applied by the Welsh Government and detailed in the NHS Wales LHB Manual for Accounts;

(b) any other specific guidance or disclosures required by the Welsh Government.

FORM AND CONTENT

3. The account of the LHB for the year ended 31 March 2011 and subsequent years shall comprise a statement of comprehensive net expenditure, a statement of financial position, a statement of cash flows and a statement of changes in taxpayers' equity as long as these statements are required by the FReM and applied by the Welsh Assembly Government, including such notes as are necessary to ensure a proper understanding of the accounts.

4. For the financial year ended 31 March 2011 and subsequent years, the account of the LHB shall give a true and fair view of the state of affairs as at the end of the financial year and the operating costs, changes in taxpayers' equity and cash flows during the year.

5. The account shall be signed and dated by the Chief Executive of the LHB.

MISCELLANEOUS

6. The direction shall be reproduced as an appendix to the published accounts.

7. The notes to the accounts shall, inter alia, include details of the accounting policies adopted.

Signed by the authority of Welsh Ministers

Signed : Chris Hurst Dated :

1. Please see regulation 3 of the 2009 No.1559 (W.154); NATIONAL HEALTH SERVICE, WALES; The Local Health Boards (Transfer of Staff, Property, Rights and Liabilities) (Wales) Order 2009.